

EUROPEAN NEWS

Tories take new name for Europe

BY ELINOR GOODMAN

CONSERVATIVE MPs at the European Parliament are to call themselves European Democrats in future, in the hope of winning more allies in the new Assembly. At their first group meeting here in Luxembourg yesterday, the delegation voted by 48 votes to 10 in favour of adopting the title of the European Democratic Group, for the purpose of European politics, while retaining the name Conservative at home.

Brandt hits at use of force to protect oil

The West German ruling coalition has again made clear it would deplore any U.S. moves to try to safeguard Middle East oil supplies by military intervention, Jonathan Carr writes from Bonn.

'Breakthrough' in Italy pay talks

BY RUPERT CORNWELL IN ROME

A BREAKTHROUGH may be at hand in the long deadlocked negotiations for a new wage contract for 1979-81, for Italy's 1.5m metal and engineering workers.

Federmeccanica, representing groups including Fiat and Olivetti, under the deal the working week broadly remains at its current level of 40 hours. But management has agreed to re-instate at once five public holidays recently abolished, with the assurance of a further five days, on a basis to be agreed, with effect from July 1, 1981.

Even if agreement does come fairly speedily now, it will not be a moment too soon. While the two teams have remained locked in the Ministry, thrashing out a deal, unrest and disruption in the northern industrial cities of Milan, Turin and Genoa has been growing daily more serious. In any case, the metal-workers' unions have called a further six hours of strikes to back up their claims for this week.

Athens banks by-pass strikers

BY OUR ATHENS CORRESPONDENT

THE banks are on strike, the shops are doing hardly any business, and the Greeks are disturbed. A series of Government measures aimed at saving petrol is altering their pattern of life.

The Government argues that this and other proposals to stagger working hours would reduce the huge traffic jams which are a feature of Athens, and would thus save fuel. But the bank employees object to the Government's unilateral action, which incidentally would make it difficult for them to have midday swims.

Insurance company employees, who object to Government demands that banks should open and close an hour later. The banks' hours would then become 8.45 am to 4.30 pm, more in line with working hours elsewhere in the EEC.

Spain pulls out jailers

Paramilitary police guarding the cells and galleries of the maximum security jail at Soria, in northern Castile, where over 100 alleged ETA prisoners are being held, have been withdrawn, David Gardner writes from Madrid.

Soviet visa dispute

Mrs. Arina Ginzburg, the wife of Mr. Alexander Ginzburg, the exchanged Soviet dissident, was told yesterday by a Soviet visa officer that she has until July 25 to decide whether to leave the Soviet Union, but that Mr. Sergei Shibaev, whom she considers her adopted son, must remain in the USSR.

Luxembourg coalition

Christian Democrats and Liberals agreed yesterday to form the next coalition Government in Luxembourg, thus forcing the Socialists into Opposition, AP reports from Luxembourg.

Europe oil price

The increase in consumer prices for oil products in the Common Market has caught up in a month with the increase in the oil price charged by OPEC, according to official figures yesterday, AP reports from Brussels.

Cyprus negotiations in trouble

BY DAVID TONGE

THE CYPRIOT intercommunal talks are in trouble again. Resumed on June 15, they were adjourned after only four sessions. It was intended to be a short adjournment, but the question of how to revive the talks is now worrying Western diplomats and involving Dr. Kurt Waldheim, the UN Secretary-General.

Two parties should agree on the "bi-zonality" of the island and the need to ensure the security of both communities. Bi-zonality would imply a greater separation of the island than the Greek Cypriot majority wishes to see. It has rejected demands for recognition of the concept. The Turkish Cypriots' case is that it and the question of security were agreed on in the private talks which led to the Makarios-Denktaş guidelines.

The Turkish side is pressing Dr. Waldheim to confirm its claims. The UN stand is that for it to endorse either community's position would undermine its ability to act independently. To this the Turkish Cypriots reply that correcting the historical record is not taking a position. "It is his duty to help the talks," one official said.



Mr. Knut Frydenlund, Norway's Foreign Minister

Fish war looms for Norway and Iceland

By William Dullforce in Stockholm

AFTER THREE "Cod Wars" with Britain, Iceland will be heading for a "Capelin Skirmish" with Norway later this summer. Negotiations between the two countries' Foreign Ministers over the Capelin fishing off Jan Mayen, a rocky volcanic island owned by Norway north-east of Iceland, broke down last week, and Oslo announced that Norwegian vessels would start fishing in the area from July 23.

The capelin is a small fish of salmon family, used mainly for fish meal and fish oil, although the Japanese have been buying feral capelin for human consumption because of the supposed effect of the roe on sexual potency. Some 1.2m tons was caught in Icelandic and Jan Mayen waters last year.

The Norwegian Government has been under pressure from its fishermen, who have had their share of the Barents Sea capelin fishing heavily reduced by agreements with the USSR. To declare an economic zone around Jan Mayen, to preserve the capelin there for Norwegian trawlers. Such an economic zone would overlap 25,000 sq km of Iceland's 200-mile economic zone, and the Norwegian Government has been reluctant to proceed without an understanding with its Nordic neighbour and NATO ally.

A compromise appeared to be in sight when Mr. Knut Frydenlund, Norway's Foreign Minister, visited Reykjavik at the end of June, and tentative agreement on 90,000-ton quotas for each side for the Jan Mayen capelin fishing was reached. But Iceland refused to accept Norway's right to declare an economic zone round the island as the legal basis for this control of the fishing. The Norwegians have now decided to send their boats in on July 23. Their fishermen, it is understood, will be asked to avoid a confrontation in the 25,000 sq km overlap area, and the Oslo Government may well halt the fishing when catches approach the 90,000-ton level.

Romania defies Warsaw Pact over China attack

BY LESLIE COLLITT IN EAST BERLIN

ROMANIA'S refusal to endorse the latest Warsaw Pact declaration bitterly attacking China is the most serious act of defiance by the independent Communist country since last November, in the view of East European officials here.

At that time, Mr. Nicolae Ceausescu, Romania's President, condemned the Chinese aggression against Vietnam and welcomed the "new Kampuchea" which is allied with Vietnam. Also unacceptable to Romania was a condemnation of the Egyptian-Israeli separate agreement under Washington's tutelage. Romania refuses to endorse attacks by name on any country with which it has good diplomatic relations.

The East Europeans here note that the intensity of the anti-Chinese statement appears to rule out any chance that Moscow and Peking can reach a modus vivendi at their talks scheduled for later this year. The Romanians further objected to a reference by Herr Honcker to the "Socialist community of nations" with the national and ideological questions.

French dockers go on strike

BY ROBERT MAUTHNER IN PARIS

THE COMMUNIST-LED CGT union called a nationwide 48-hour dock strike starting yesterday, after the failure of talks between port employers and unions on a series of dockers' demands over pay and working conditions.

The strike call which is expected to be widely followed, brings to a head a long-standing dispute which has particularly affected Marseilles, France's biggest port. Mechanical handling companies refused to employ any labour for several days last week, leading to about 700 dockers being laid off. At least eight ships were detained at Marseilles.

Estimated that the days lost in turning round ships have cost them FFY 16m (£1.5m) since the start of the year, says transport companies claim. A sporadic strike over the past few months has reduced their turnover by as much as 30 per cent. Although a national agreement setting some of the questions was reached at the end of June, the CGT has continued to organise further stoppages. Even after the agreement, the union refused to lift its ban on overtime for night and weekend work.

Record trade deficit for Ireland

BY STEWART DALBY IN DUBLIN

IN THE first really authoritative figures seen this year, Ireland registered a record trade deficit for May. Imports were valued at £462m, leaving a large deficit of £152m for the month. The trade deficit for the 12 months to May was thus just over £1bn. Exports for the year ending in May rose by 14 per cent, to £13.3bn, while imports increased by 25.5 per cent.

It was suspected that imports had been rising sharply, not least because of the decline of the Irish pound against sterling since Ireland fully joined the EMS in March. However, there have been no firm figures since February because of the four-month post strike. This stopped the Central Office of Statistics from assembling proper figures.

With the Irish pound standing at 32.7p last Friday, there is concern in some quarters about what further increases in sterling could do to Ireland's vulnerable balance of payments. Ultimately, a continued poor trade performance could raise questions about the wisdom of Ireland contending within a fixed exchange rate system if Britain is not a member.

BIS considers action on inflation

BY DAVID MARSH IN BASLE

LEADING central bankers meeting in Basle yesterday at the Bank for International Settlements (BIS) discussed co-ordinating increases in interest rates to dampen inflationary dangers caused by the oil price rise. The West German Bundesbank will consider a rise in its discount rate from the present 4 per cent at the meeting of its policy-making central council on Thursday.

The central bankers were joined in their discussions yesterday by Mr. Jacques de Larosiere, managing director of the International Monetary Fund. Mr. Teichiro Morinaga, the governor of the Bank of Japan, who is making a rare appearance at the monthly BIS meeting, is also understood to favour a further rise in his country's bank rate, now at 4 per cent. The German and Japanese authorities are concerned at the expected rise in their inflation rates to about 4 per cent so far this year.

According to one participant at yesterday's meeting, the Bundesbank realises it is in a dilemma over the past three weeks by the three central banks have been more than \$4bn, with the Swiss National Bank's dollar purchases about totalling \$1.5bn. Rising German interest rates engineered by the Bundesbank in recent weeks have given rise to speculation that parties in the EMS will have to be re-aligned soon to accommodate the strength of the Deutsche Mark. But Bundesbank officials yesterday pointed to the success of the Belgian National Bank in halving the Belgian franc away from its lower intervention point against the Deutsche Mark over the past few days.

James Buchan in Jeddah explains the significance of a Middle Eastern mini-summit meeting which passed almost unnoticed

A family affair—Saudis spur a move towards Gulf unity

AS LEADERS of the seven major free world economies met in Tokyo recently and OPEC ministers convened in Geneva, the remote mountains of Saudi Arabia's South-west were the scene of a smaller, regional summit. Nevertheless it was one that might have an important bearing on global problems.

Rulers and senior Ministers of five Gulf states joined King Khalid and the Saudi court at manoeuvres by units of the Saudi army and air force based at Khamis Mushait, 90 miles north of the border with North Yemen.

The display came just over a week after Planning Ministers of the six countries and Oman agreed on a belated programme of industrial consultation to prevent divisive and socially disruptive competition in their development plans.

The Khamis Mushait exercises, the largest ever staged in Saudi Arabia, were preceded by a march-past of 40,000 armed tribesmen and brought approving responses from the Gulf leaders. The ruler of Qatar, Sheikh Hamad al-Thani, described the Saudi armed forces as "a bulwark of the Arab world" and the 50-minute exer-

cautious about concluding that Saudi Arabia was offering its protection to the small States weaker than itself. To date, a severe shortage of recruits and a shortage of hard-wear has held back the Saudi armed forces despite spending of more than \$10bn a year under the heading of defence.

However, a number of factors suggests that Saudi Arabia is seeking to use a general nervousness to prod the Gulf States into a more effective attitude to security. One is Riyadh's awareness that the U.S., as protector of last resort, can only be relied on to look after its own interests associated with oil-field security and limiting Soviet incursions. The example of the Shah has shown that the U.S. cannot be expected to protect the established order or to keep a ruling house in power. Moreover association in regional security with the sponsor of the Egypt-Israeli peace, moves could be embarrassing for the Saudis.

The loss of Egypt from the states confronting Israel has led to one major re-alignment in the Arab world—the moves towards unity by the Ba'athist regime of Iraq and Syria. The knowledge that the new regime in Iran cannot be relied on not to interfere in the Gulf region is causing acute nervousness in the states of the eastern seaboard especially Iraq and Bahrain, which have large Shi'ite populations.

While moves toward a Gulf security pact in 1978 foundered at a meeting in Muscat, Oman, on suspicion of Iraq by the lower Gulf states, Prince Naif, the Saudi interior minister, has been pressing for much closer links at the lowest level of internal security. Treaties covering extradition and police co-operation have been signed in the past year with Jordan, Iraq and Tunisia. Within the past month, Prince Naif has discussed foreign assistance for improving Saudi security with France, Taiwan and South Korea.



مكتبة التحول

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Egyptians 'beat El Arish collaborators'

BY DAVID LENNON IN TEL AVIV

DOZENS of residents of El Arish, the Sinai town which Israel returned to Egypt last month, have been arrested and beaten up by the Egyptian authorities because of their co-operation with the Israeli occupation forces, according to Israeli press reports.

The reports were discussed at Sunday's meeting of the Israeli Cabinet in Jerusalem, according to Yediot afternoon newspaper.

The subject was also said to have been raised during the Egypt-Israel talks on Palestinian autonomy in Alexandria last month by Mr. Ariel Sharon, Israel's Agriculture Minister, and will be raised again by Mr. Ezer Weisman, Defence Minister, when he meets his Egyptian counterpart at the end of the month.

Israel is worried by this manifestation of reprisals against Arabs who co-operated with Israel at a time when the two countries are supposed to be developing normal relations.

The paper quoted El Arish residents as claiming that the economic prosperity which they enjoyed under Israeli rule had been replaced by Egyptian austerity. One resident said that he earned the equivalent of 15 Egyptian pounds (£10.6) a day under Israeli rule, but his income had now dropped to £E15 a week.

It is also reported that the new Egyptian governor of the town has dismissed all municipal and Government workers who were employed by the Israelis. The fishing industry, which found a ready market in Israel, is said to have been affected severely by the change of political ruler.

Residents at the Israeli settlement in the Yamit area, east

of El Arish, were full of unconfirmed rumours last month about the murder in El Arish of "collaborators" by the Egyptian authorities. It is known that a number of people were shot by the Egyptians while trying to smuggle goods across the border. Others were arrested by Israel and handed over to the Egyptians.

Meanwhile Israeli soldiers clashed with Arab villagers in northern Israel yesterday when the Arabs demonstrated against the construction of a new Jewish settlement beside the village of Me'iliya.

The army had used tear gas against the stone-throwing villagers who tried to prevent bulldozers from leveling an access road to the site. At least 10 Arabs were arrested and two drivers of Israeli vehicles were injured.

The settlement is one of 20 planned for the Galilee area where the majority of the population is Arab. Israel has long been concerned about the demographic balance and has laid plans for increasing the Jewish population. The Arab residents are worried that this will mean expropriation of more of their land and complaint that there is not enough for the growing populations of the Arab villages.

L. Daniel adds from Jerusalem: Agreement has been reached between Egypt and Israel for the sale of Israeli newspapers in Egypt and of Egyptian papers in Israel, the Gaza Strip and West Bank.

Great importance is attached to the agreement since it is believed that the presentation of the Egyptian viewpoint in the occupied territories might lead to second thoughts there about talks on the establishment of administrative autonomy.

Indonesia calms S.E. Asia's troubled waters

Philip Bowring examines the dilemma which refugees pose for ASEAN

INDONESIA is again emerging as South-East Asia's regional leader as its partners in the Association of South-East Asian Nations, grow more desperate over the relentless flood of Indo-Chinese refugees across the South China Sea.

As the Geneva conference approaches, it has become evident that it will be Indonesia's measured action, and not the panic-stricken words of its ASEAN neighbours, that will determine the fate of the boat people, and will dictate the region's response to Vietnam's policy of expulsion.

The boats being pushed out of Malaysian waters are heading straight for Indonesia. As a result, the number of refugees coming ashore there has risen from a few thousand at the beginning of the year to more than 50,000 today. At the present rate, Indonesia will soon overtake Hong Kong and Malaysia as the main temporary refuge for boat people.

Despite public announcements of co-operation between Malaysia and Indonesia, there is little indication that Indonesia is actually taking any steps to stop the flow or push away the boats.

The Indonesian Government may well believe that its huge coastline would make it very difficult to prevent the boats arriving. So perhaps it is better

to let them come to the sparsely inhabited Annabas Island Group where they can be kept under control and where they are remote enough not to become a major political problem.

Indonesia is at the same time winning kudos in the region as it lifts the problem out of Malaysia's jittery hands. It also wins goodwill overseas for its humanitarian approach.

Indonesia is worried about the possibility of a continuing flood of refugees, but its response has been primarily political. Traditionally, Jakarta has enjoyed closer relations with Hanoi than any ASEAN country. It is suspicious of China, with which it still does not have relations, and has strong latent anti-Chinese ethnic feelings. But there has been a sharp shift of opinion, particularly in the army, against Hanoi.

Blaming the West

This shift was not inevitable, and is not universal. Many still harbour suspicions of all things Chinese. They condemn Vietnam not so much for expelling their Chinese as for the problem this is creating for other countries. By moving more strongly than expected against Hanoi at the political level, Jakarta may have helped keep down the racial pressures at home.

In Malaysia, in contrast, there

has been a tendency to blame the problem on the slowness of Western countries in accepting refugees rather than on Hanoi for forcing them out. There is a tendency to blame U.S. and European involvement in the region as the source of the problem. While this may be correct it is no excuse.

For Hanoi, the logical consequence of looking for historical causes rather than immediate reasons is that every country in the region should adopt a policy of expelling its Chinese minority. This is a distant spectre, but a real one, particularly for predominantly Chinese Singapore. Singapore's fears have shown by its refusal to accept any refugees. It has urged its ASEAN neighbours to take the hardest possible line against Hanoi and has criticised the West for effectively encouraging the outflow by its generous resettlement policies.

Nothing sums up better the strains of the South-East Asian dilemma than the contrast between Malaysia's almost hysterical demands to the West to take the problem off its hands and Singapore's attitude that resettlement encourages Hanoi to continue its policy.

The Singapore fear is that if one country can get away with expulsion of Chinese, others may try it too. A time could come when the Chinese ethnic minori-

ties would be forced to look to Singapore as their Israel. Singapore is worried that the refugees are stirring up anti-Chinese feelings in the region and that this is a deliberate policy by Hanoi to destabilise non-Communist South-East Asia.

Most observers see destabilisation, not as Vietnam's primary aim, but as a secondary benefit as it disposes of its Chinese. But the frail racial fabric of the region is clearly illustrated by the fact that ASEAN countries believe a few hundred thousand refugees can destabilise a region of more than 200m people.

The refugees clearly represent a political problem for Malaysia which has a delicate racial balance and where the ruling United Malaysia National Organisation (UMNO) is constantly having to fight the popular appeal of ultra-Muslim groups. However, critics of the Government note that Malaysia's anti-Chinese bias, which is at the root of its policy towards the boat people, contrasts with its hospitality to 100,000 Filipino Moslem refugees and panders to racial animosities.

However much the Malays may dislike the fact, nearly 50 per cent of Malaysia's population is of immigrant origin, 35 per cent Chinese.

The fear in the region of

hundreds of millions of Chinese "potential migrants" is real enough, as is fear of Chinese business acumen. Chinese in the region are anxious because the response of Malaysia, in particular, makes it more likely that the Vietnam tragedy will one day be repeated.

There have been suggestions in South-East Asia that China should take the refugees itself because of their ethnic origin. But for governments which have for years worried about Chinese minorities showing more loyalty to Peking than to their adopted countries, to promote the idea now that China is guardian for all Chinese would be dangerous. The other side of the coin of urging Chinese to be loyal to their adopted countries is that those countries treat them as equals, not resident aliens who may some day be removed.

Australian attitudes

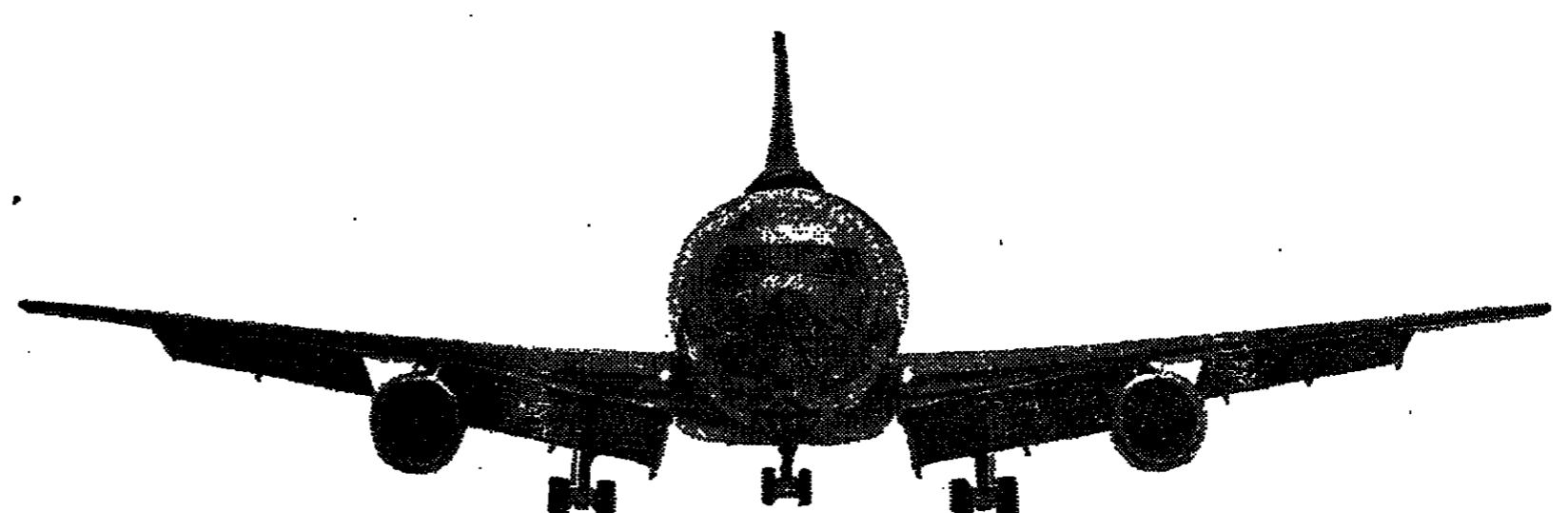
Fear of the Chinese is not confined to South-East Asia. Australia's response has shown similar features. Australia is taking proportionately more refugees than the U.S., and absorbing Asians with little difficulty. While Australians accept refugees arriving by Qantas airlines with no complaints, Press and public have responded almost hysterically to

boatloads of refugees arriving uninvited in Darwin. This hostile response seems to reflect the old Australian fear of being overwhelmed from the North. Australia does at least accept refugees for permanent settlement in contrast with every country in Asia—Japan included. Japan's refusal to accept more than a handful of refugees has attracted only mild criticism from ASEAN which finds some comfort for its own policies in Japan's pursuit of racial homogeneity.

But racial emotion has not carried all before it. Despite its traditional policies, Jakarta has been prepared to recognise that Vietnam represents a more immediate challenge than China. It also recognises that the refugee problem can be handled without hysterics.

If countries attending the Geneva Conference follow the U.S. lead in increasing resettlement opportunities, Jakarta is likely to continue its present policy of allowing boats to land.

Always cautious and slow moving, and with a confidence that comes with size, Indonesia is providing a cushion both for the refugees and for its neighbours. But it is not a cushion that can be taken for granted. If it were withdrawn, the consequences for the refugees would be fearsome.



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Fire cuts Abadan output to 100,000b/d

BY OUR OWN CORRESPONDENT

OUTPUT at Iran's Abadan export refinery, one of the world's largest, has dropped from 550,000 barrels a day to 100,000 b/d after the pipeline explosion at the weekend.

Officials at the refinery say the drop was caused by the disruption in the crude oil flow following the blast on the line from the Aghajar field. The fire spread to two gas lines, two oil products lines and two other crude lines.

All these installations are now shut down for repairs that will take about three days, according to the National Iranian Oil Company.

It is believed, however, that the intense heat and continuing fires in the desert, where spillage is still burning, may delay repair work. Abadan officials have said that there might be temporary fuel shortages in Iran because of drop in throughput, but that exports should not be affected.

NIOC has still made no statement concerning the cause of the explosion. It could have been an accident but other informed observers attribute the incident to sabotage by Arab or left-wing dissidents.

It was also suggested yesterday that the reduction in the Abadan refinery's throughput might not be because of the explosion alone. Only 15 men reported for work at the Shiraz refinery yesterday because of work and management disputes.

General unrest in the province of Khuzestan appeared on the increase with reports of a grenade attack on three revolutionary guards in the town of Khoramshahr, where fighting broke out last month and an

armed attack on a gendarmerie post in Dezful.

Beater adds: Iran's Soviet-built steel complex at Isfahan may be forced to close in less than two weeks because of an acute shortage of coking coal.

Experts say that unless the authorities import the necessary coal in the next few days, it would take at least 18 months to get the plant going again.

The Isfahan complex, one of Iran's main industrialisation projects under the Shah, was built by the Soviet Union in return for Iranian natural gas. It began production in 1973 with an annual capacity of 600,000 tonnes, which was due to rise to 1.5m tonnes.

The steel mill, Iran's first, is reported to have reserves of only 6,000 tonnes of coking coal, compared with the stock of 20,000 tonnes which was normal before last February's revolution.

The mill, run with the help of a large team of Soviet specialists, used to need 2,000 tonnes of coking coal a day when it was working at full capacity. But capacity has been reduced.

Mr. Mohammed Ali Mowlavi, governor of Iran's central bank, has said that the \$1bn foreign debts of the nationalised banking system will be honoured. He told a Press conference that foreign banks to whom the money was owed had nothing to worry about and would be repaid in full.

Mr. Mowlavi also said the Government was studying the shareholding of foreign banks in the nationalised banking system and promised that the "legitimate rights of foreign investors" would be taken into account when compensation was paid.

Limann is tipped to win as Ghana votes again

BY MARK WEBSTER

GHANAIANS went to the polls for the second time yesterday, to elect a civilian President to take over the Government on October 1.

The run-off between two candidates was necessary after an inconclusive first round three weeks ago. The two remaining candidates were Dr. Hilla Limann, of the Popular Front party, and Mr. Victor Owusu, of

the People's National Party. Dr. Limann's party gained half the 140 seats in the Civilian Assembly. Mr. Owusu's party came second, winning 42 seats.

Every indication is that Dr. Limann will win the Presidency. Observer's said there would be a honeymoon effect, with many voters wishing to support the man who won the Parliamentary elections.

AN IMPORTANT CONFERENCE ORGANISED BY THE INSTITUTE OF PURCHASING AND SUPPLY

OIL-NOW SERIOUS A CRISIS?

An assessment of the likely availability and price of oil over the next 18 months with particular reference to the oil refiner.

- The Government's view by an Energy Department Minister
- An investment assessment by the Business Editor, "The Observer"
- Forecast of a major producer by the Trading Director, BP
- The view of a distributor and outlook for the smaller consumer, by a Director, Type Main Limited
- The impact on industry and transportation by speakers from CBI and RHA
- Immediate action on conservation by an Energy Consultant.

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AMERICAN NEWS

WORLD TRADE NEWS

Vance opens fight for SALT ratification

BY DAVID BUCHAN IN WASHINGTON

THE GREAT debate on the SALT II treaty limiting nuclear arms formally got under way in the U.S. Senate yesterday...

Rejection of the treaty might entail the U.S. in spending an extra \$30bn to match unrestrained Soviet arms build-up...

Indeed, I suspect quite a number of Americans will be listening to these hearings as they inch forward in those interminable gas lines...



Costa Rica stays calm next door to chaos

By Hugh O'Shaughnessy, recently in San Jose

FEW MORE startling contrasts occur than between the everyday death and destruction in the streets of war-torn Managua...

China spells out joint venture rules

BY JOHN HOFFMANN IN PEKING

CHINA has published and put into effect its first law on joint ventures covering Chinese and foreign investment in the country...

make specific provision for the repatriation of foreign resources in the event of a joint venture being wound up...

Disputes between parties to a joint venture, if not settled by the board, may go for arbitration before a body in China...

Joint ventures will be obliged to carry insurance furnished by Chinese insurance companies and to deposit accounts with the Bank of China...

Congressmen go to Camp David

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

MORE THAN three dozen U.S. Congressmen yesterday joined the trek to the Presidential retreat at Camp David to help President Carter formulate new economic and energy policy initiatives...

every participant from Government, industry, the social sector, and Congress who has been to Camp David, has emphasised that the President has been canvassing ideas rather than pre-selling solutions...

ship take part in the formulation of energy legislation. By consensus, the Camp David domestic summit has emerged as a critical turning point in the future of the Carter Presidency...

Philippines pacts signed

THE PHILIPPINES and China have signed a series of bilateral pacts covering trade, aviation and culture...

providing for \$2bn (\$95m) worth of trade between the two countries over seven years...

Under the aviation agreement direct air services between Peking and Manila will be established...

The agreement was Vice-Premier Fang Yi. According to a West German Economics Ministry statement...

Boost for W. Germany following agreement

BY GUY HAWTIN IN FRANKFURT

THE WEST GERMAN Government has concluded an agreement with China which could give its industry an important lead over its international competitors for Chinese orders for Western technology...

German expertise to exploit China's vast deposits of raw materials. Under terms of the agreement Chinese scientists will be trained in West Germany...

Principal West German contractors are Linde for cooling systems, Deutsche Babcock for boilers, Lurgi for the design contract, Demag Mannesmann for heavy transport equipment...

ABU DHABI has given a pledge to Sheikh Rashid bin Khalifa bin Zayed Al-Nahyan, Prime Minister of the United Arab Emirates and Ruler of Dubai...

French, Germans in Sasol deals

BY QUENTIN PEEL IN JOHANNESBURG

THE LION'S share of supply contracts for South Africa's R3.2bn (£1.9bn) extension of the Sasol oil-from-coal scheme has been won by French and German contractors...

Principal West German contractors are Linde for cooling systems, Deutsche Babcock for boilers, Lurgi for the design contract, Demag Mannesmann for heavy transport equipment...

ABU DHABI has given a pledge to Sheikh Rashid bin Khalifa bin Zayed Al-Nahyan, Prime Minister of the United Arab Emirates and Ruler of Dubai...

General Electric, the U.S. electrical engineering giant, yesterday announced a \$220m order for gas turbines from Saudi Arabia, David Lucselles reports from New York...

Castro attacks Cuban inefficiency

HAVANA — President Fidel Castro has sharply attacked deficiencies in Cuba's administrative system, blaming all sections of society for standards of efficiency and discipline which, he said, compared unfavourably with capitalist states...



Fidel Castro: "faults of the system"

ing of Administrations, a constant theme in recent months. Cuba is introducing a "pseudo-capitalist" form of management of its economy, in which independent state firms will be expected to make profits...

Sweden protests over U.S. steel quotas

BY WILLIAM DULFORCE IN STOCKHOLM

SWEDISH SPECIAL steel manufacturers have been severely hit by President Jimmy Carter's decision to prolong the quota system for imports to the U.S. and to declare global quotas for alloy tool steels and stainless steel bars...

Of the 4,100-ton quota for U.S. imports of tool steels during the two-month period beginning June 14 Swedish companies secured only 150 tons, whereas their normal share would have entitled them to 1,600 tons...

Instead when U.S. import restrictions were introduced in 1976 the Swedish special steel makers sought official export controls to ensure that their share of the U.S. quotas was fairly divided among them...

General Electric, the U.S. electrical engineering giant, yesterday announced a \$220m order for gas turbines from Saudi Arabia, David Lucselles reports from New York...

Rupert Cornwell reports from Rome that the energy crisis had led to a renaissance for Italy's state hydrocarbons agency

ENI enters world oil politics

A MARVELLOUS instrument working for Italy is how Sig. Carlo Sarchi, international director of Ente Nazionale Idrocarburi (ENI), unabashedly describes the country's state hydrocarbons agency...

Between January and May this year, consumption of every type of petroleum product in Italy has risen. Italians have used 30 per cent more petrol, 12 per cent more diesel fuel, and 6 per cent more fuel oil...

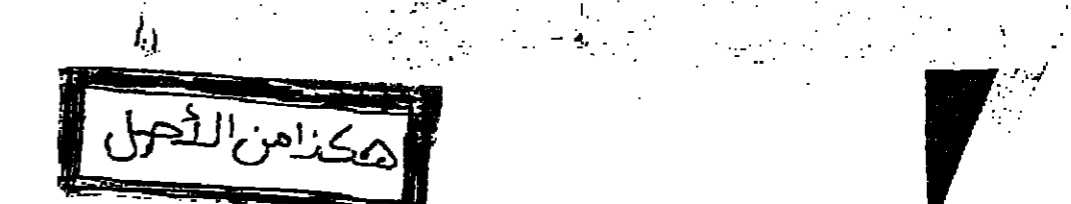
ENI, on the other hand, has secured a deal that should bring an extra 12.5m tons of oil to Italy over the next 24 years from Saudi Arabia, by passing the major oil multi-nationals and it has won agreements for an additional 3m tons in all from Libya and Iraq in 1979...

Other sources, ENI's share of the domestic market is between 35 and 40 per cent. In effect, ENI has a firm policy of offering substantial technological and industrial expertise in return for oil deals, and it is aided by the fact that the company is involved in chemicals, petrochemicals, engineering and other sectors...

MAPCO IS OIL, BUT... Oil is only a part of the MAPCO picture. This integrated energy company also produces and markets coal, gas and gas liquids, operates LPG and anhydrous ammonia pipelines, retails LPG and liquid fertilizer and produces and sells sonic instrumentation devices...

Sandinistas resist plans to keep on Somoza men. U.S. PLANS to have associates of President Anastasio Somoza of Nicaragua included in any post-Somoza Government are being fiercely resisted by the Sandinista guerrilla movement...

While Gen. Somoza wonders how to stave off national bankruptcy, President Carazo is wrestling with the problems of the large-scale development of aluminium smelting in Costa Rica...

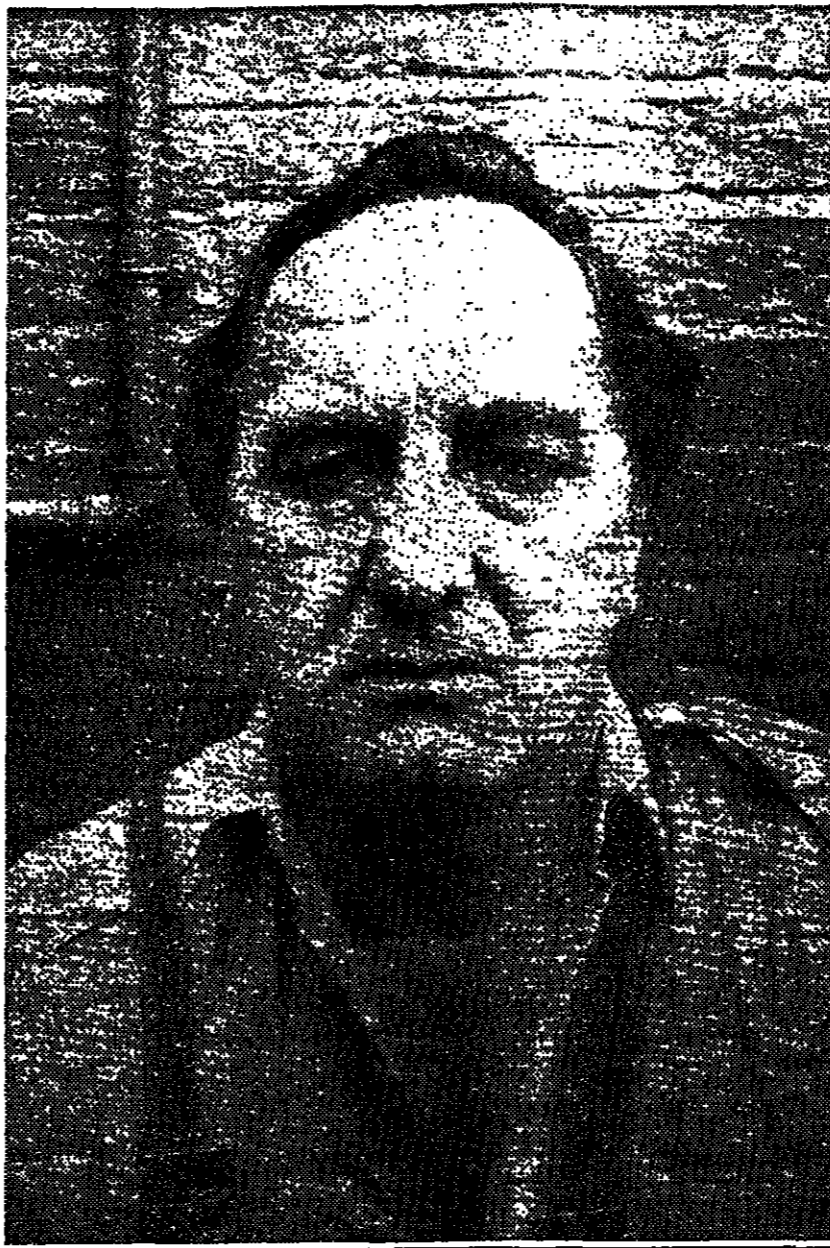


1979/10/15/50

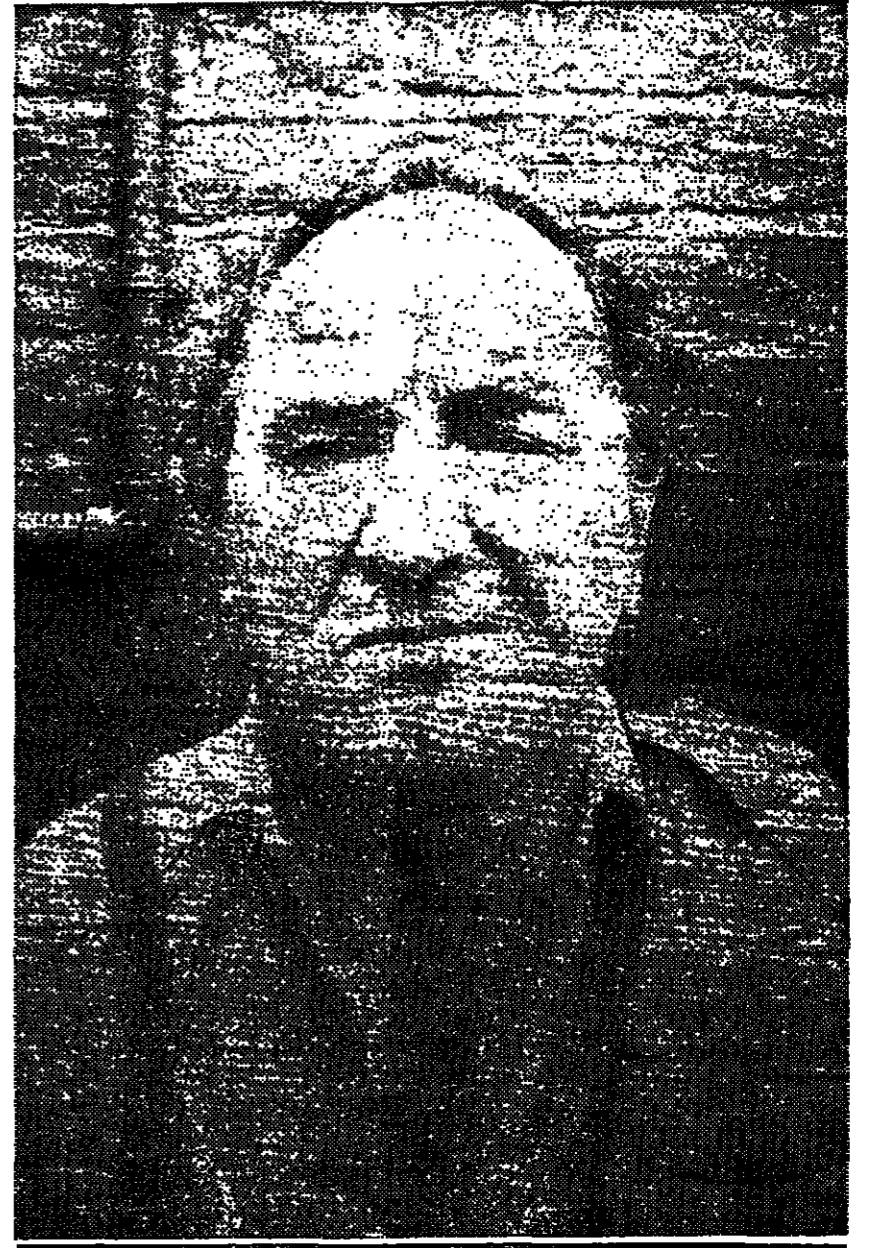
At around 90°F, workers evaporate.



65°F He's okay.



72°F He's feeling warm.



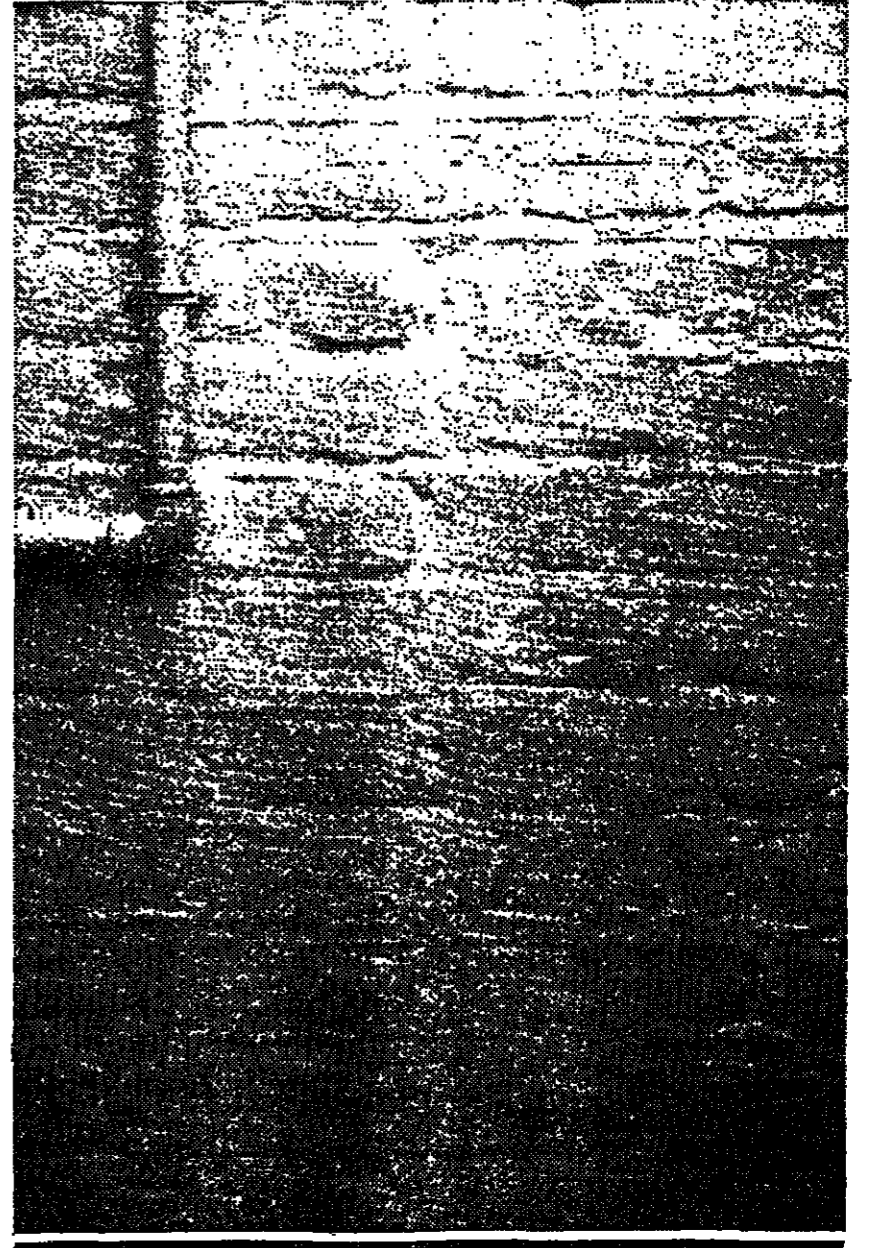
78°F He's hot and bothered.



80°F He can't concentrate.



85°F He's fading fast.



90°F He's disappeared.

It's a sad fact of life that the 'disappearing workers' actually exist in large numbers throughout industry.

If you're in any doubt, try spending an hour or two on the factory floor one sunny afternoon.

Chances are, you'll find that a number of employees aren't to be seen. Of those who are, many will be present in body, but not in spirit.

The reason will hit you full blast the moment you step in the door. It is, quite simply, the hot, sweltering atmosphere caused by bad ventilation.

Overheating and bad ventilation cause productivity to drop like a stone, accident figures to soar, labour relations to sour, and quality control to go out of the window.

What can be done about it? Do what many, many companies are glad they did - give us a ring at Colt.

Not only can we advise you on the best form of ventilation to give your employees healthier, safer and more productive conditions to work in. We can also make sure that any equipment you install won't strain your energy bills.

For example, we can show you how to recycle and cleanse contaminated air instead of expensively replacing it.

We can supply you with fresh air that cools an individual worker rather than a whole factory.

Negative ions to revitalise the atmosphere.

Efficient ventilation to control hazardous fumes from individual operations.

And special low loss ventilators that minimise heat loss when winter comes around.

In fact, all our ventilation schemes will not only do good for your productivity and your employees' morale, but your energy consumption as well.

Write or phone us soon.

Colt ventilation is the one sure way of making a very real problem disappear.

If working conditions are healthy, business is healthy too.

Colt International Ltd (Health and Safety at Work) Havant, Hants PO9 2LY. Tel: (0705) 451111. Telex: 86219.

UK NEWS

Perkins go-ahead for diesel car engine

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

PERKINS ENGINE has decided to go ahead with development of a high-speed, light diesel engine which would have wide-spread application in cars and light vans.

That proportion would have to be about 40 per cent to ensure that the engine goes into high-volume production, Mr. Hoffman says.

Diesel-engined cars now form only a small part of UK car sales, although a higher proportion is produced on the Continent and in the U.S.

company's future development. In its recent report on the company, the Price Commission expressed concern that it had not committed itself to a car and light van diesel engine.

House prices up 7.7% in second quarter, says Abbey National

BY MICHAEL CASSELL

THE SHARPLY RISING trend in house prices was confirmed yesterday by figures from another big building society.

Abbey National said that average prices rose by 7.7 per cent in the second quarter of 1979, compared with last week's 8 per cent calculation by Nationwide.

NEB £300,000 for scanner company

BY MAX WILKINSON

THE NATIONAL Enterprise Board is to invest £300,000 for a 28 per cent share in Sonicaid, a private company which makes ultrasonic medical equipment.

West Lothian, and in Fredericksburg, Virginia.

Skipper blamed for loss of trawler, inquiry told

FINANCIAL TIMES REPORTER

WATER POURING into the hold during fish loading caused a trawler to sink with the loss of five lives, a formal investigation told yesterday at Great Yarmouth.

Overseas insurance earnings warning

By John Moore

OVERSEAS EARNINGS of the British insurance industry for 1978 may well exceed the record \$909m earned in 1977.

BL Cars tests engines with secret lasers

EQUIPMENT WORTH £100,000 and supplied by Harwell Atomic Research Establishment is being used in secret laser research by BL cars.

accurate lasers can build up a picture of the movement and behaviour of air and fuel and exhaust gases throughout the cycle.

Highlands petrol supplies safe, tourists assured

THE HIGHLANDS and Islands Development Board reaffirmed yesterday its commitment to maintain its "tourist petrol line" all summer if necessary to combat rumours of a petrol shortage in the area.

Fraud charge is dropped

Financial Times Reporter

YORKSHIRE businessman Mr. Anthony Wilkinson, already in jail for his part in a bank fraud, will not have to face a third fraud trial at the Old Bailey.

Ferranti plant bought by pipe company

By James McDonald

E. PASS of Denton, Manchester, manufacturer of under-pressure fittings and machines for pipelines, has bought, for an undisclosed sum, the Ferranti foundry at Hollinwood, Lancashire.

Number of alcoholics rising

Financial Times Reporter

THE NUMBER of alcoholics in England and Wales has risen to an estimated 600,000 in the past 20 years, says Mr. Derek Rutherford, director of the National Council on Alcoholism, in its annual report today.

Harland and Wolff wins order for Sealink ferry

HARLAND AND WOLFF of Belfast has received an order from Sealink (UK) for a roll-on/roll-off passenger vehicle ferry for the Fishguard-Rossaree service.

23 companies wound-up

Orders for the compulsory winding up of 23 companies were made by Mr. Justice Slade in the High Court today.

Lord Bernstein hands over at Granada

BY ARTHUR SANDLES

LORD BERNSTEIN, for many years the driving force behind the Granada Group, is to resign as the group's chairman and director. It was announced yesterday that Lord Bernstein, who is 80, will become president of the company from the end of September.

£5,000 towards Maudling costs

MIRROR GROUP Newspapers is to pay £5,000 towards the legal costs of an action started against them by Reginald Maudling before he died in March.

Oil prices help UK chipboard recovery

BY RAY FERRIS, Scottish Correspondent

THE UK CHIPBOARD industry brought near to collapse a year ago by a slump in demand and competition from low price imports, is making a recovery partly because of the rise in oil prices.

Local councils list proposals on spending cuts

BY PAUL TAYLOR

THE GOVERNMENT is to consider a wide-ranging series of proposals by local authorities to end some services and increase charges for others as part of its local government cost-cutting exercise.

Oil-price rise 'could bring new recession'

BY DAVID FREUD

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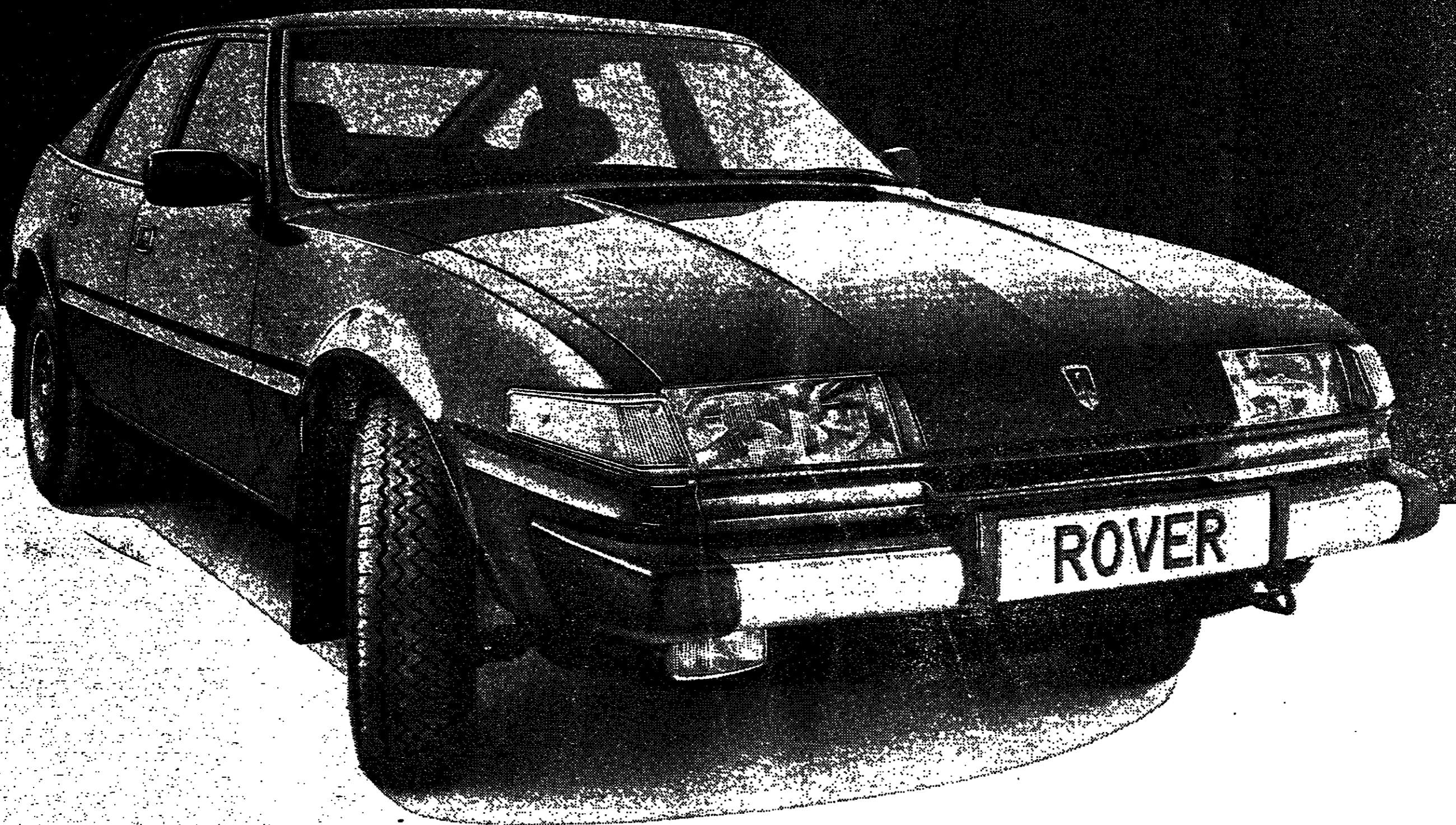
Lord Bernstein

Advertisement for 'ARE YOU THINKING' with contact information for office, shops, restaurants, and factories.

Advertisement for 'مكازم النجول' (Makazim al-Najul) featuring a logo and decorative elements.

Handwritten text: 10/10/79

If your car can't manage over 30mpg,* it's time you tried something different.



The big car has one big benefit. It cruises long distances quietly, quickly and comfortably.

It does however usually have one big problem. It gets very thirsty as it goes faster, and needs increasingly frequent stops for refreshment.

In these times of erratic fuel supplies at ever-increasing prices, that's some problem. We'd like to suggest a solution.

The Rover range was designed, from aerodynamics to gearbox, to give long distance cruising at economic cost. The result is a range of cars that are spacious, luxurious, versatile and

powerful, all of which, as you can see from our chart, cruise at well over 30mpg.*

And while they are ideal for the long haul (a big 14.5 gallon fuel tank will take you a long, long way), the Rovers perform very creditably in the stop/start of urban motoring.

In these troubled times, shouldn't you try something different? Send the coupon below. You'll discover

just how competitive Rover performance and economy is, and what a pleasure it can be.

*GOVERNMENT CERTIFIED FUEL CONSUMPTION FIGURES TESTED AT A CONSTANT 56mph (90km/h)	
ROVER 2300	36.8mpg
ROVER 2600	38.2mpg
ROVER 3500	36.3mpg
All figures quoted for 5-speed manual gearbox†	

Complete Government Fuel Consumption Figures, Rover 5-speed manual: 2300: urban motoring 17.5mpg (16.1 litres/100km); constant 56mph (90km/h) 36.8mpg (7.7 litres/100km); constant 75mph (120km/h) 51.0mpg (9.1 litres/100km); 2600: urban motoring 18.5mpg (15.3 litres/100km); constant 56mph (90km/h) 38.2mpg (7.4 litres/100km); constant 75mph (120km/h) 50.2mpg (9.4 litres/100km); 3500: urban motoring 16.2mpg (17.4 litres/100km); constant 56mph (90km/h) 36.3mpg (7.9 litres/100km); constant 75mph (120km/h) 27.9mpg (10.1 litres/100km); 5-speed gearbox optional on the 2300.

Discover the difference

This coupon will bring you full details of the Rover range and a guide to Rover economy versus the competition. Please complete and send to Rover Information Services, Jaguar Rover Triumph, PO Box 98, East Molesey, Surrey KT8 9PE.

NAME _____

ADDRESS _____

I would like a test drive in a
 Rover 2300
 Rover 2600
 Rover 3500

 **Rover 2300/2600/3500**

 **Jaguar Rover Triumph**

UK NEWS

Silicon chip centre hope for Scotland

BY RAY PERMAN, SCOTTISH CORRESPONDENT

A NEW CENTRE to develop microprocessor applications and persuade industry to take them up is being considered by the Scottish Office...

More top changes at British Airways

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

FURTHER TOP management changes in British Airways, after the appointment of Mr. Ross Stainton to the chairman's post...

Conoco expects oil production on time

BY MAURICE SAMUELSON

WORK ON Conoco's Murchison Field in the northern North Sea is expected to be back on target despite a three-month delay in completing the steel jacket of its production platform...

Ulster lawyers reject Government proposal

BY OUR BELFAST CORRESPONDENT

MR HUMPHREY ATKINS, the Ulster Secretary, has clashed with members of the legal profession in the province over part of the Government's proposals to tighten up on interrogation techniques...

Libel damages for textile men

THE PUBLISHERS and printers of the Investors' Chronicle have paid "substantial" libel damages to two textile manufacturers and merchants over an article which could have been understood to mean that they were involved in a dishonest transaction...

LABOUR

Thames TV may return today

By Our Labour Staff

HOPES ROSE last night of an end to the dispute which blocked off Thames Television programmes on Friday and all day yesterday...

Programmes were first blacked out over the dispute on Friday. The technicians walked out after the three editors were dismissed for refusing to work on a special one-hour edition of the current affairs programme 'TV Eye' on the oil crisis...

Another bid to lift oil tanker today

By Lynton McLean

ANOTHER attempt to right the stricken German oil tanker Strakebeek off the Isle of Wight is expected to start today after a component failure scuttled a second bid yesterday...

More Home News on page 27

owners, to decide if it is more of a liability than an asset. The salvors brought the Smit Pioneer heavy duty ocean-going tug to stand-by in case the vessel is to be towed to the Continent for repairs...

Passengers will work doors on London Tube

Financial Times Reporter

LONDON TRANSPORT has been given authority to spend £17.6m on 14 trains fitted with passenger-operated doors. The Greater London Council London Transport committee agreed yesterday to the plan...

Butler's visit

Mr. Adam Butler, Minister of State for Industry with responsibility for the Post Office, yesterday visited the Birmingham sorting office, where a number of letter bombs have recently been discovered...

Not franchised

MERCEDES-BENZ has asked us to point out that contrary to a statement in yesterday's Financial Times, Dan Perkins (London) does not hold a Mercedes franchise.

Ezra, Gormley in vital talks on plan to close Duffryn

BY GARETH GRIFFITHS AND JOHN LLOYD

SIR DEREK EZRA, chairman of the National Coal Board, is to meet Mr. Joe Gormley, president of the National Union of Mineworkers, tomorrow to discuss the future of the Deep Duffryn colliery in South Wales...

Public services' pay warning

BY ALAN PIKE, LABOUR CORRESPONDENT

THE GOVERNMENT was warned yesterday that it would be risking industrial action if it did not honour the findings of the Clegg comparability commission on public services pay...

Soames condemns 'unjustified' Civil Service workers strike

BY PHILIP BASSETT, LABOUR STAFF

LORD SOAMES, the Lord President of the Council, yesterday attacked strike action by Civil Service scientists and technicians as "totally unjustifiable"...

Chrysler deal hopes slim

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

HOPES WERE fading last night of averting a walkout today by 3,500 Chrysler UK workers in a dispute which the management has warned could mark the start of a run down in the size of the company...

Bank strikes start

BY OUR LABOUR STAFF

STAFF AT five Midland Bank computer centres started a series of 24- and 32-hour strikes yesterday at the start of a campaign to win a better pay offer from the five clearing banks...

ICI may face action

BY PHILIP BASSETT, LABOUR STAFF

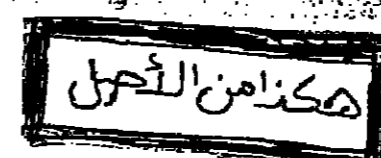
CLERICAL AND engineering staff at ICI are being recommended to take industrial action for the first time in the company's history after a rejection by union negotiators of a pay offer of 8.13 per cent...

THE GOVERNMENT'S PROPOSALS FOR LABOUR LAW REFORM

Limit on pickets, closed shop eased

REPORT BY CHRISTIAN TYLER, LABOUR EDITOR

DETAILS OF the Government's proposals for amending industrial relations law were published yesterday by Mr. James Prior, Employment Secretary. They are in the form of working papers on picketing, the closed shop and public financing of trade union ballots...



Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● HANDLING

Truck will run in the rough

PRINCIPALLY designed for ship/shore materials handling duties is a counterbalanced "Stevedoring Special" forklift truck, from ACR Lift Truck. The machine is offered in a range of mast heights and lifting capacities are 6,000 lb, 7,000 lb and 8,000 lb.

For lifting on board ship by derrick or crane the truck incorporates a removable counterweight, which requires no tools either to remove or replace. Where high capacity cranes are available the machine can be hoisted as one complete unit. The overhead guard, frame-mounted to facilitate counterweight removal, has been tested to meet international drop test requirements.

Standard features comprise: non-slip flooring in the operator's compartment; adjustable driving seat; two or three-stage masts; cushion tyres; and dual fuel tanks providing for a continuous 13 hour shift. Options

include petrol or diesel engines, each with a 5,000 hour or two-year guarantee; heavy-duty, two-speed transmission or power-shift transmission with automatic return to neutral should the operator leave his seat; and a variety of attachments can be mounted.

The 8.5 ton frame underclearance enables the truck easily to negotiate irregular surfaces, such as ramps and railway lines, and, to minimise radiator clogging, dust shields are mounted on the frame. For ease of servicing the truck incorporates swing out side panels and battery; swing-up seat deck; one-piece bolted-on radiator grille; double universal joint for simple removal of drive train components; and wire harness to disconnect the instrument panel.

ACR Lift Truck, Chalmers Way, North Feltham Trading Estate, Feltham, Middx. Tel: 01-751 0232.

● TRANSPORT

Helps long-haul drivers

DESIGNED to help keep lorry drivers alert during long distance hauls a new device is currently being installed in vehicles which belong to Hungarocamion, Hungary's long-distance road transport company.

The Reacon, is a safety device which monitors a driver's reactions, and if these become sluggish, alerts him to possible danger by a combination of light and sound signals.

Mass production started at the Elektromobil Cooperative in Győr, western Hungary, earlier this year. The device has already attracted international interest and was on show at the Hamburg World - Transport Exhibition in June. It has been patented in 12 countries.

Reacon is an electronic device, the size of a car radio. It can be installed in any road vehicle,

needs no maintenance, and works at temperatures from +70° to -3° Centigrade.

Reacon registers a driver's reactions automatically from the time the hand brake is released. If these slow down, a small light starts to flash at irregular intervals. Failure to respond on the part of the driver, leads to a sound alarm, similar to the chirping of a bird. The driver must then touch both light and sound controls to deactivate the alarm.

If he still does not respond, the safety device goes into a third stage: emergency lights and sound signals on the outside of the vehicle are activated to warn other road users and the vehicle is brought to a halt.

Reacon is primarily designed to combat "motorway hypnosis"

and is not intended for use in towns. As statistics indicate that a driver's exhaustion, slow reaction or tendency to fall asleep, cause more accidents than technical failure, it is expected to be a significant step forward towards greater road safety and has already attracted the attention of the European Road Safety Association.

Elektromobil, the producing company, is at present geared to produce 5,000 units a year, but is planning to increase capacity. Export is expected to start before the end of the year. Companies which have so far shown interest include Volvo, Mercedes, MAN and Soric of France.

Further details from Press Sector, Hungarian Embassy, 16 Lowndes Close, London SW1X 8SE. 01-235 9530.

● TRENCHING

Makes it safer when excavating

SHORCO HAS a new trench support system for the building market, called the "Shorco Waller" produced to provide a quick, safe and economical support system for small trench excavations.

Designed and manufactured by Shorco, the wallers are constructed of high-grade aluminium alloy supported by powerful hydraulic alloy struts. Controlled by a simple double-action hand pump used above ground, the units can safely be installed to provide a rigid structure for securing timber or sheets with the minimum of effort or risk. Shorco claims to have made its wallers stronger than any other on the market. They will also be available for hire through distributors, and Shorco is at present looking for agents to provide contractors with a comprehensive supply network for hire or purchase throughout the UK.

Standard lengths are 2.67, 3.00, 4.00 and 5.00 metres with special lengths available on request. They are extruded in 173 mm x 100 mm sections for greater strength and durability. The hydraulic struts have a 63.5 mm internal diameter and are adjustable from 550 mm up to 4,000 mm fully extended using extensions and they have

quick-release valves which can be operated from above ground.

Waller have been produced with inclined leading edges to minimise the risk of trench sheets snagging during placing. Chain suspension eyes for multiple framing are standard to ensure safer and faster installation and removal.

They provide the building industry with a trench support system that can be lifted and installed by hand on site, and which is strong enough to cope with most ground conditions.

Contex House, Dewsbury Road, Churwell, Leeds, Morley LS21 2JZ.

● DATA PROCESSING

Powerful aid for the design team

QUEST Automation of Fern-down, Dorset, is backing its Q-Draft range to give high speed digitising and generation facilities at low cost. Top of the bill is the Q-Draft 20 with full auto-routing and data capture.

Q-Draft 1 is a low-cost solution aimed at the first-time user. It can provide basic digit-

ising facilities to convert drawn layouts into artwork or NC tapes. It has a single digitising station, a microcomputer and a dual drive floppy disc program/job data storage medium. Each drive has a capacity of 315K bytes. The system feeds data either to an A3 fathomed plotter or a paper tape punch. If profiling and drilling in-

formation is included when the design is digitised, the output from the microcomputer can be used to drive production equipment (such as NC drilling machines). Production costs are therefore reduced since there is no need to generate tooling tapes manually.

Quest operates from Fern-down, Dorset, on 0202 891010.

Industrial Marketing Digest

- Ideas
- Techniques
- Experience

Tel: Dorking (0306) 883568

Training in the desert

REMOVED TRAVELLERS on a desert road to Mecca recently watched a team of SGB Export engineers excavate trenches in the sand—and promptly refill them.

Point of the exercise was to effect a training session for site labour in the use of King's trench lining system, says SGB Group, Mitcham, Surrey (01-648 3400), and resulted in an order worth £80,000 to the British company.

Philippine contractor CDCP is installing a complete new sewage and drainage system for Mecca (non-Moslems are prohibited from the sacred area encircling the city) and it was necessary for SGB engineers, with a King's representative, to go into the desert to train the contractor's labour on site.

SGB is sole distributor for King's trench lining systems in the Middle East.

and crates for delivery of consumer goods.

UK agent is K & I Agencies, Bank Chambers, 18a Hart Street, Heston-on-Thames, Oxon (04912 79255).

● MATERIALS

Water-proof sealant

DEVELOPED INITIALLY to provide fluid-tight seals between mine shaft walls and linings, a polymer—which is cross-linked during formation—can have many other applications throughout the construction sector of mining industry, announces Compagnie des Services Dowell Schlumberger, Drury House, Russell Street, London, WC2 (01-240 2655).

The material can be used for casings in gas and oil storage units and to seal tunnel linings. When used, for example, in a confined joint configuration between the segmental liners of a tunnel, rubber like nature of the material makes it possible to assemble an air-tight as well as water-tight structure. This property can be used to minimise compressed air cost while driving a tunnel under a river.

Furthermore, says the maker, any tendency for water to leak through joints containing the material is counteracted, since the material swells tighter and blocks the leakage paths. It is said to be self-extinguishing, to withstand acids, brines, ozone, ammonia hydrocarbons, and promises an indefinite life.

● PROCESSING

Beads blast dirt away safely

GLASS BEADS, the size of pin heads, are employed in a machine as the primary cleaning agent for mechanical washing of empty boxes, announces Danish manufacturer, Maskinfabrikken Myren.

A meat-packing factory in Copenhagen has adopted the method for coping with the cleaning of 3,000 boxes, used daily to handle, over the year, about 22m pounds of meat.

Previously, the boxes were cleaned by hand, hot water and lye detergents—the Pearl Matic manages with cold water, milder detergents and the small glass beads which scour the boxes clean.

Principally, the machine allows fine glass beads to penetrate the surface tension of the water and at the same time to reach every single inaccessible corner of the boxes. No damage is caused to the articles being cleaned: which can be as many as 2,000 units an hour.

Method should prove particularly beneficial to supermarket chains which employ variously and intricately designed boxes

● HANDLING

Bags that last ten years

ANNIVERSARY OF Inter-medica handling bags (HB's) which have had ten years' continuous use at Cow and Gate, Bourton, Dorset, was marked by a replacement delivery from Clyde Canvas, 92 Bay Street, Port Glasgow, Renfrewshire (0475 41261).

Made of non-toxic grade of pvc coated nylon, the bags measure 40 x 40 x 40 inches and each has a capacity of 300 kg. Webbing slings are fitted to facilitate handling and design includes: filters, air-release tube in the top section, and a controllable outlet tube fitted into the base. These are used at Cow and Gate for handling and storing dried milk powder granules.

● METALWORKING

Presets accurately

ALMOST ALL types of metal-cutting tool can be pre-set on the Zoller EG 1800 to the degree of accuracy required for modern machine tools. This tool-setting machine is to be introduced to the British market by the cutting tool division of Hahn and Kolb, (Great Britain).

As well as having facilities for pre-setting, the Zoller machine can also be used to measure the tool and to check its shape. An optical projector is installed to give a magnified view of the cutting tip. Measurements can be made in two axes. Positions along these axes are displayed by a digital read-out unit, which was specially designed for the machine and embodies a microprocessor.

Setting the cutting tools is, of course, a major cause of down-time of machine tools. While it is well known that substantial savings could be obtained by pre-setting tools in their holders away from the machine, there have been many disappointments in practice. Tooling pre-set in a simple fixture may need considerable adjustment after installation before it performs satisfac-

torily: as a result, saving in down-time is small.

Turning tools, boring bars, drills and milling cutters are among the tools that can be set on the Zoller. Fixtures are available for special equipment, such as Multifix quick-change tool holders. Each fixture is designed and built to give an extremely accurate location. For example, when adaptors are exchanged in the boring bar fixture, repeatability is said to be within ± 0.001 mm.

When preparing tooling for a numerically controlled machine, the operator does not pre-set each tool precisely. Instead, he can save time by setting the tool approximately to the desired position, and then measure the deviation. Coordinates displayed by the read-out of the Zoller EG 1800 would be used as tool correction factors, and could be fed directly into a numerical control system.

Three standard sizes of Zoller tool setting machine are produced: the measuring range of the largest is 620 mm x 500 mm.

Hahn and Kolb, Leicester Rd., Rugby, 0788 74261.

Shapes from sheet metal

HIGH-SPEED CNC sheet metal-working equipment specifically designed for the automated high precision machining of small sheet metal parts at low cost has been introduced to the UK by Trumpf Machine Tools.

Based on the 150 series, the Trumatic ELX is a computer numerical control punching and nibbling machine which can produce cut-outs which are of any shape or size. In sheet metal up to 6.4 mm thick in a working range of 1,080 mm by 625 mm.

An important point is the machine's ability to perform nibbling and forming operations with standard punching tools, which drastically reduces tooling and service costs.

The NC adapted pre-set tooling system makes the most of production time and is designed to take tools up to 76 mm diameter in any of its 16 stations. The tools themselves are clamped hydraulically into the ram which takes severe off-

centre loads and assures maximum rigidity and minimum wear. A vacuum system for the positive removal of waste, and oil mist lubrication to the punch and die further prolongs tool life.

The workpiece is held in the co-ordinate guide run on roller bearings, by means of small hydraulic clamps, and is moved by a series of DC servo motors. Collision of workpiece clamps and tool adaptors and over-travel of the co-ordinate guide are prevented by safety limit switches.

Controlled by a microprocessor-based controlling unit using sub-routine techniques, a full circle programming flexibility programme, storage and editing capabilities, the ELX can produce any present number of identical workpieces. The machine is suited to the electronic industries for the economic production of high quality components with complex cut-outs, in short and medium production runs.

Trumpf Machine Tools, 51 Albans, Herts.

FORBES Magazine is read regularly by more of the most important U.S. business influences than any other.

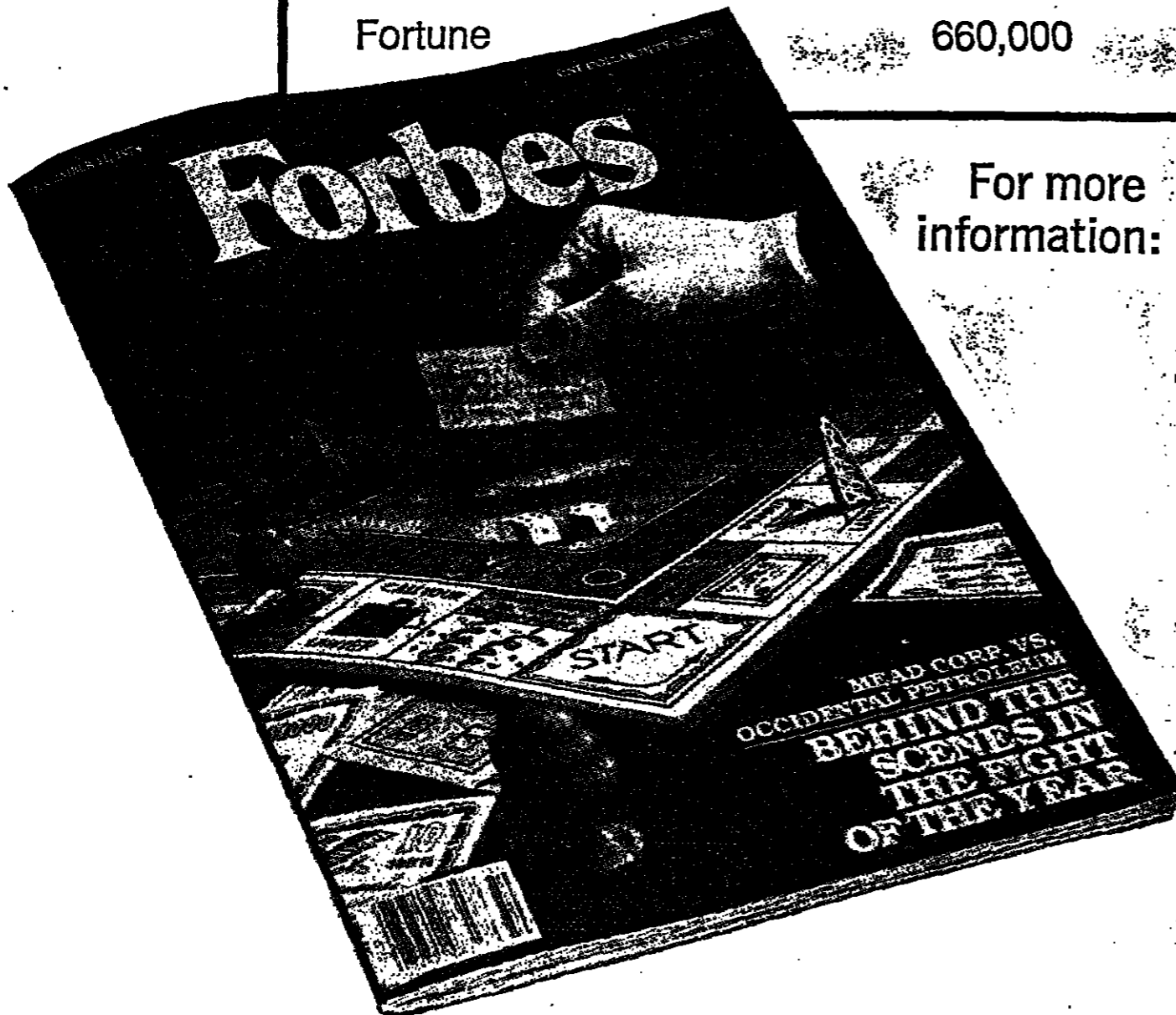
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مركز الأبحاث

1974/10/15



Oil makes the news, but Shell has discovered other valuable things in the North Sea.

The Shell Suit is one.



Dr. Ronnie Houston, O.B.E., Shell U.K. Chief Medical Officer

"When people die of cold, they do not literally freeze to death. Before this could happen, drastic cooling produces a fatal collapse of vital organs which results in heart failure.

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It's the 'spin-offs' like this that make the North Sea doubly important to Britain."

You can be sure of Shell



THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

U.S. executives 'not rotten rich'

BY JASON CRISP

"THE MEN who run America's top companies are hardly suffering, but neither are most of them getting rotten rich," says Forbes, the American business magazine, which has just examined the remuneration of chief executives of the top 800 U.S. companies.



Harry Merlo

Readers may remember that Business Week, one of Forbes's rivals, recently found that the highest paid executive in the U.S. was David Mahoney, chief executive of the consumer giant Norton Simon, who collected a cool \$2.037m in 1978.

But, according to Forbes study, that is nothing to shout about. Meet Harry A. Merlo, chief executive of Louisiana-Pacific. Although his salary, bonus and director's fees were a meagre \$333,500 you must add to that another \$491,880 under the heading "contingent and other forms of remuneration" together with \$31,800 entitled "personal and vested"—all of which takes him clearly over the bread line.

But where Mr. Merlo really outshines is the payment when it comes to the payment of stock appreciation rights: \$2.5m. Total remuneration: \$3.4m.

Forbes found a further 14 chief executives could boast earnings in excess of \$1m.

The total remuneration of the chief executives of all 800 companies examined totalled \$245m, or an average of \$306,000 apiece, which is 33.3 per cent higher than 1977 (4 per cent inflation adjusted), says the magazine. This compares with a 15.4 per cent increase in the profits of the top-500 U.S. companies.

Forbes reflects that none of these chief executives made in salary and bonuses (i.e. excluding stock appreciation rights, etc.) anything like the \$2m plus that Jane Fonda grossed.

EVERYONE HAS a pet explanation of why forecasting has got such a bad name in recent years. Most fall within these sorts of terms:

On the one hand, forecasters have concentrated too much on increasingly complex number-crunching techniques, often claiming ridiculous "exactitude" (sometimes to several decimal places). On the other hand, they have paid far too little attention to qualitative as opposed to quantitative factors, particularly social ones.

A growing body of opinion also holds that one of the key shortcomings has concerned the application of forecasts within client organisations.

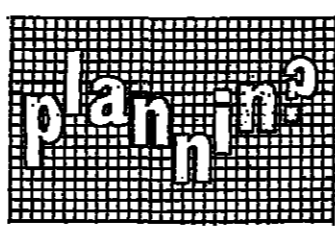
Most forecasting institutes and consultancies earn their living by producing generalised, all-purpose forecasts for large and broad-ranging clients: governments, companies in widely differing industrial sectors, together with other interest groups.

But some practitioners, in business schools and universities as well as industry, argue that, however good their technique, forecasts can only be really useful to the individual client organisation if they are carefully tailored to its needs, and presented in a way which persuades its managers to take heed, even if the message is an unpleasant one.

This is the philosophy behind the new forecasting unit at Bradford University's Management Centre (see this page, June 1).

All of which turns the spotlight on two new and ambitious forecasting services. Both were launched last year, one by the U.S.-based multinational Battelle Institute, the other by Britain's Henley Centre for Forecasting, and are now very much in what marketing men would call "the take-off phase."

Not only are they aimed at a large market—though they both



offer application sessions with individual clients—they are also trying to become pioneers in the provision of the most difficult service of all: socio-political forecasting.

The many differences between the two offerings include the fact that Battelle has adopted the fashionable term "scenarios" in place of the narrower "forecasts." It also includes social scenarios as an integral part of its much broader "BASICS" service (Battelle Scenario Inputs to Corporate Strategy).

The Henley Centre, by contrast, has added to its existing range of economic forecasting activities a specific service called "Planning for Social Change." Battelle's service is available across the world, while Henley's is limited to the UK for the present. Henley's has attracted about 25 clients so far. Battelle reports considerable interest, both in the U.S. and Europe, but is reluctant to be specific.

Battelle has developed its

Seeking the right scenario for social forecasting

BY CHRISTOPHER LORENZ

service from a series of single-client scenarios written for government and industrial organisations in recent years by several of its offices, both in the U.S. and Europe. One of the key innovations claimed for these scenarios has been the quantification of qualitative information, especially in the areas of social and legislative change.

Battelle has now standardised on a single methodology for scenario-writing, and it emphasises that the BASICS service includes the provision of data on how the conclusions were arrived at—an important item of knowledge for clients, yet one which many forecasters fail to provide.

BASICS consists of a complex package of services, from which clients can select the most appropriate to their needs. Its core is multiple (or "alternative") scenarios on a long list of topics, covering a range of possible five to ten-year trends, including "optimistic," "pessimistic" and "most probable."

The scenarios are of the so-called "path" variety, describing how the situation is likely to move from one point to another: "state" scenarios, by contrast, just describe a future situation at a specific point in time.

Battelle claims a series of other advantages, in terms of

time required, cost and comprehensiveness, for multiple path scenarios over both conventional forecasting and systems analysis.

Some of the topics covered by BASICS are general (for example, Trends in Key Technologies, Trends in Oil Prices), others, geographic (e.g. Japan—Economic, Social, Political trends), and others sectoral (e.g. Automobile Industry, Steel). There are some specifically social topics (e.g. Corporations and Society), but most of the others also include social factors as part of the overall analysis.

One form of subscription, called Topic Membership, allows clients to subscribe to one or more of these topics. For each of them, written reports, seminars, workshops and in-company meetings are offered (the latter at an additional cost of \$2,000 per consultant per day, plus travel). Updates may be available on an annual basis, also at an extra charge.

Subscription costs under this system depend on the number of topics a client wishes to take, the cost of each topic, and the operation of a discount system. Thus the annual cost of just one topic could be between \$4,000 and \$9,500, though a package of two topics could also cost \$9,500.

A fuller type of subscription is Sustaining Group Membership, under which clients receive extra discounts on topic costs, together with four other services:—

- General access to the BASICS data bank.
- Free attendance at Topic seminars.
- Participation in "expert panels" used in the development of scenarios.
- A summary report describing the major findings of general interest derived each year from the overall BASICS programme.

The initial cost of this form of membership is \$10,000 a year, excluding subscription for topics. As the database expands and the value of membership therefore rises, Battelle intends to increase the subscription costs.

The BASICS programme is directed from its Economics Programmes Office in Columbus, Ohio, though some of the work will be conducted by various offices outside the U.S., and the programme manager is located in Frankfurt, West Germany.

The Henley Centre's social forecasting service, "Planning for Social Change," costs roughly the same as one of Battelle's Topics (£1,500 to £2,500, depending on whether the subscriber wants individual consultation with the Centre's

staff). It claims to be the first forecasting service in the UK to link social change with economic analysis in a systematic fashion.

It brings together three sets of information:—

- Social attitude data derived from the MONITOR survey conducted by Taylor Nelson and Associates, a leading market research consultancy.
- "A comprehensive survey of behavioural data from all manner of published sources."
- and the Centre's own economic forecasts, which are matched with the social forecasts.

The basic service, costing £1,500 pa, consists of three reports, plus a half-day consultation with two of the Centre's staff. In addition, the full service, costing about £2,500, provides more intensive consultation in the form of a series of meetings between client and the Centre's staff.

K. W. Stachic, Associate Director, Battelle Economic Programs Office, P.O. Box 900 160, D6900 Frankfurt/M-90, West Germany. Tel: (0611)-79081.

The Henley Centre for Forecasting, 2, Tudor Street, London EC4A 3AA. Tel: 01-353 9961. Previous articles in this series appeared on June 27 and 29, and July 3 and 6.

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Why were the brewers caught on the hop?

"I'M staggered how surprised businessmen are at social developments. They only needed to have thought a bit, or to have paid someone to advise them." Thus Maurice Peston, Professor of Economics at Queen Mary's College, London, at a symposium in London late last month on the growing fashion for "Social Forecasting."

To have a general conception of the many ways in which social attitudes and trends may move, is one thing. To be able to spot the few most likely trends is quite another, which is why the symposium, organised by the Henley Centre for Forecasting, carried the title "Social Forecasting—Art, Science or Illusion?"

No-one should accuse the Henley Centre's staff of considering it an illusion (not unless you take the most cynical view imaginable of the integrity of forecasters):

Whitehall's dilemmas
GOVERNMENT decisions would be better informed if there were a clearer idea of future social developments, the Henley Symposium was told by Mrs. Shirley Williams, Minister of Education in the Labour Government until two months ago. Successful social forecasting could, for example, help in the decision about what skills teachers would need a decade from now.

in social attitudes or anything else.

Commenting on a presentation at the meeting by Elizabeth Nelson, whose consultancy's MONITOR survey of attitudes makes a key contribution to the Henley Centre's new programme, Mr. Crouch supported the value of examining people's changing values and expectations. But he argued that analysis must go further and examine the social interest groups which will act as "carriers" of change. Otherwise, existing attitudes and values

might simply be projected forward.

This, of course, is the classic error of so many past forecasts, even in the much "easier" realm of economics. Looking back on the changes in consumer attitude over the last decade, Elizabeth Nelson argued that people should have been able to forecast the "back to nature" movement, and that "the growth of real ale shouldn't have caught the brewers on the hop" (sic). The next likely "bombshell" was changing attitudes to

work, she said. Union declarations notwithstanding, she claimed to have detected a decline in demand for job security and the "right to work."

Several of the outside delegates were critical of the apparent confidence of the Henley Centre-Nelson team in their joint forecasts for the 1980s—which they dub "a cautious and conservative era."

A leading urban and regional planner reiterated the old adage that "the only certainty about forecasting is

that your forecasts will be wrong." Rather than using a big data bank, he argued that the most promising approach was to construct a framework for monitoring one's assumptions.

Supporting his criticism, a planner from Shell emphasised the value of alternative scenarios. The multiple scenario approach is not peculiar to Battelle—Shell itself is a pioneer of its use—but there is no doubt that Henley's critics reminded it of the "basics" of forecasting.

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FINANCIAL TIMES SURVEY

Tuesday July 10 1979

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Word Processing

Developments in word processing, on show from today at the International Word Processing Exhibition at Wembley Conference Centre, suggest that there soon will be a rapid advance in this field. The likelihood is that office systems will become much more integrated and carry out an ever-increasing range of tasks.

Paper may go out of date

By Ted Schoeters

ENTIRELY paper-free, or so its promoters assert, an electronic and fully automated office has been operating in America on a sponsored demonstration basis for about a month. And the site chosen for this paperless marvel is Washington, the source of a veritable Niagara of documents for America and the rest of the world. The office itself is in the middle of the Watergate Complex.

Micronet Inc. has assembled in its headquarters about £300,000-worth of equipment. This has been provided by a group of about 17 suppliers, on a very nominal leasing basis. Among these suppliers are such well-known names as A. B. Dick, the Qwp Division of Exton Enterprises, Plessey Peripheral Systems, National CSS and ECRM Inc.

Prominent among the array of units set up at Micronet are a series of word processors. But there are, or can be, linked or used with various other devices forming part of the electronic

office/electronic mail system—micrographics devices, optical character readers, automated retrieval units and, of course, telecommunications facilities.

Correspondence, or other incoming mail is either micro-filed or magnetically stored after optical reading. Outgoing "paper" comes from the word processors—it could be replaced by text generated at the receiving end.

Two claims worth noting are that on filing alone, the paperless approach would save a medium-sized company about £500,000 over ten years. At the same time, Micronet's management claims that the ten employees running the £300,000-worth of electronic devices can do the work of about 50 people in companies not similarly equipped.

For the small company man who is trying to make up his mind whether to pay £8,000 or £10,000 for a word processor, all this may seem of little relevance. But for him, and for any other company, particularly one with numerous overseas links, the developments which have made Micronet possible are very significant indeed.

The word processor, in the next few years, undoubtedly will be the key to the new communications systems now being created. And as time goes by, the alternatives rapidly could become too expensive to use or too unreliable to trust—probably both.

Developments in this area will come very quickly. Predictions are that in the U.S., 300 out of the Fortune 500 companies will have installed some form of electronic mail system by 1982, despite the resistance of many executives to key-boards and displays. One con-

sequence is expected to be a vast reduction in telephone calls, which should please most office-bound businessmen.

Underlining this prediction of a rapid advance is the recent study by Mackintosh Consultants made in an office electronics market research programme which has now passed its first year of activity.

Spending

For word processors, the overall European figure is close on £430m in 1983, reached through a year on year expansion of about 27 per cent. This is only a small proportion of total office spending on electronics since office computers are put at over £1,500bn by 1983 after a yearly growth of 49 per cent. But a high proportion will be small "single user office systems" with display and flexible disc store backing, operating to a high-quality serial printer. The latter will cope with both data handling and word processing.

Mackintosh finds that such systems will account for 70 per cent of the 1983 market and it appears that a good argument could be put forward for altering the forecast for word processors accordingly.

Certainly, IBM pointed the way to total office systems several years ago with System 6. ICL has followed suit, but the sharpest challenge comes from Wang, which claims world leadership in display-based word processors and which recently "converged" its latest products under this heading with new models of office computers by integrating word and data processing.

This was to give its process-



The Jacquard J100 system which carries out simultaneous word and data processing with communications.

ing work-stations practically all the capabilities they need to operate on their own and, at the same time, provide ability to work in the Basic language to its word processing systems.

The inference is that by the target date of the Mackintosh predictions it will be hard to tell one Wang office system from another—all will have word processing as a matter of course, together with communications, electronic mail capability and ability to talk to large IBM or IBM-type machines.

Does this mean that most of

the suppliers of word processors on the UK market—there were 49 at the last count, offering equipment between £4,000 and, say, £40,000—must disappear in the very short term if they do not prepare to offer all the facilities implicit in electronic mail or total communications?

The answer must be "no." But there will be increasing pressure for agreed standards, inherent capabilities, and a *modus vivendi* because many of the latter will already have suffered at the hands of intransigent computer manu-

facturers who do not make it particularly easy for users to shop around until they find the peripheral that suits them best.

It is with an eye to this evolution in the market that the Department of Industry earlier this year began a strategic study of the text processing market and the chances for UK companies to break into it internationally.

Under the aegis of the Computer Services Association, five consultants are working on sectors of the problem, according to their specialisations. They

are: PE Consulting Group; Peat Marwick Mitchell; Logica VTS; Langton Information Systems; and Arthur Andersen and Co.

Their objective is to define the text processing market, having in mind that office costs in Britain and America now represent a substantial proportion of every company's total costs, whatever activities it may be engaged in. In some cases, this proportion is as much as 40-50 per cent and with rising salaries and charges for headquarters buildings in the larger cities, these figures can only increase.

Studies

Information handling studies will look at word processing, but also at electronic mail, electronic document storage (on videotape and other systems), facsimile transmission, data storage and retrieval by systems such as that embodied in the Post Office's Viewdata concept, optical page reading and so on. They will also examine the integration of all these functions.

First outcome of the work, which will cost £45,000 for its initial phase, will be to define areas of technology which need to be mastered by a company before it can move into text processing or supplying "corporate information systems" that could span the world.

This study is timely. Its outcome should be examined on a Europe-wide basis since part of it deals with communications and since business data can move over satellite links at speeds about 150 times faster than the highest-grade telephone

lines now available. In the UK moves are being made in the right direction with GEC's acquisition of A. E. Dick and the Muirhead link with Nexos. But this is only the ground work. Where is the satellite?

But to come back to earth for a moment, for a dash of cold water from the Central Computer Agency which, in April, released a report on the use of word processors following a series of tests at the Department of Education and Science.

CA reported gains in efficiency of 10 to 70 per cent at a DES typing pool at Mowden Hall, Darlington. But it went on to say that cost justification would demand productivity increases of "50 per cent in London and 60 per cent in the provinces."

The comparison was not made against a typing pool filled with "old bangers" for typewriters, but against four electric ones including one with cassette memory.

Surely the answer is: "Find problem—Choose system—Which is the message of 'Guide to Word Processing Systems—1979' published by Computer Guides of London. This valuable book shows the businessman how to find the problem through work measurement and by following a questionnaire drawn up by well-known international consultants.

It says among many things that potential users should bear in mind that a word processor is likely to be in use for four years or longer and that the supplier's support will be required during that period. "It is not sensible to expect that information will be easier to obtain after a system has been acquired than beforehand."

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A view from the keyboard

ANGELA DONEK is an expert secretary working for Keith Conroy Associates (KCA). But pressure of work and running a home for her husband and two small children became so heavy in recent months that a decision had to be taken to lighten at least the office burden by installing a word processor.

KCA having Supertyper as a client, an FD-85 from the latter company was the result. This machine, designed and built in Britain, has a twin floppy disc for text storage, an alphanumeric keyboard not all that different from that of an electric typewriter and a Qwerty daisy-wheel printer served by an automatic single-sheet feed.

A single day was devoted to training, which was carried out on the spot—and the lady was on her own. First task was a small mail shot for a client merging names and addresses and incorporating sales figures.

Angela soon realised that she would have to adjust office procedures as the Supertyper is a logical unit and any operation to be carried out on it must be planned through logically in advance. For instance, when copy is being edited, the pre-set steps the machine takes to erase incorrect words and insert amendments must be followed. Approaches possible on ordinary typewriters can no longer be used.

In record or edit modes everything, that is all instructions, must go through the keyboard if they are to be recorded. Moving the typehead or rolling up the paper manually will not register in memory.

But from the start she began to see the benefits. "I realised that it is more accurate and speedy and that I must expect

things to take a little longer in the first few days. Also, once in the machine, all information can be updated at will, without lengthy retyping. And I do know that it will be absolutely correct each time, so no more laborious reading-back of copy!" she said.

It took one week's work after training to master the machine. Mistakes are picked up immediately by lights or beeps and corrections are easy to carry out. Recorded dictation of copy is also handled directly on to the Supertyper, which differs very little from the company's Selectric except for the facility of being able to correct without having to retype, rub out, white out or read back.

Headache

The biggest job headache is in process of being eliminated. All addresses for Press distribution and mailing shots are being recorded. This will cut out a great deal of monotonous time-consuming repetition and meantime give greater freedom to concentrate on more interesting work.

Previously the consultancy had its releases printed outside. Now all the work can be done in-house, providing excellent copies for all and at the high speed of 45 characters per second. Important too is the availability, at the end of a telephone line, of expert advice.

Experience in this comparatively small London office is borne out in many types of business elsewhere. A conference on word processing held last May by Butler Cox and Partners was told by its consultant on systems ergonomics, Mr. Tom Stewart, that in many

cases introduction of word processing had allowed companies to reduce secretarial and typing staff—a major bank had cut typing personnel in one division from 154 to 49.

Savings of this order were not uncommon, especially when the company took the opportunity to reorganise its secretarial and typing services at the same time. But sometimes savings were needed not so much to cut jobs as to enable existing staff to meet an increasing workload. With the acute shortage of typists and secretaries in London this method of operation may be the only way to maintain an acceptable secretarial service in the coming years.

He asserted that pressure to maximise typing productivity could have unfortunate side-effects on other secretarial services. There was little point in setting up "battery hen" central typing pools and leaving expensive executives to make their own photocopies and coffee—secretaries and typists accounted for 10 per cent of office costs while managers and professionals represented 60 per cent.

But word processing could make the latter more effective. It could improve the quality of written communications once authors realised how easy it was to change texts. In some offices managers were using the word processors themselves to make alterations. In such situations secretaries were getting more time to do what they should—act as assistants to their bosses.

But two characteristics of word processors militated against all the other favourable factors when compared with the ordinary typewriter. Many had



While the boss carries on dictation the Supertyper goes on working. This machine is designed and built in the UK.

light characters on a dark display and it could prove difficult to give operators enough light by which to read poor source documents. In addition, the operator can be required to oversee several units—keyboard, display, printer, discs, etc. and adopt an awkward position to keep everything within reach.

This may not appear to be a problem at first sight. It can be a major one for an operator who spends her whole day on this work.

At the same event Ms. Randy Goldfeld of Booz Allen and Hamilton indicated that if England and Germany were five years behind the U.S. in word processing implementation, this was not a fact to be deplored—on the contrary.

Pioneers are the people that wind up with arrows in their back and their faces in the dust. Pioneers in the U.S. were intensely interested in machines and much less in procedures or people.

Better experience taught them not to neglect procedures and that vendors would recommend any reorganisation that made selling and maintenance simpler and less costly for them—whatever it did to the client. But it had been realised that a secretary spent only 20 per cent of her time keyboarding

and editing and so, narrowly viewed, all the current interest in word processing was aimed at one-fifth of her potential.

There was a great deal of interest in the U.S. about what to do with the other four-fifths. Here is where all the other electronic aids to office efficiency come in.

Thus, despite the fact that staff training is more important than ever.

This is probably the best point at which to bring in a claim made by one sector of the industry—the optical character reader (OCR) builders—that a relatively low proportion of run-of-the-mill office work goes over the word processor.

General Audio and Data Communications says it is 30 per cent with the remainder still handled by ordinary typewriters. Lexiscan puts it in another way—that 45 per cent of a typist's time is spent in correcting errors or retyping. Both underline that the limiting factor to effective use is the speed with which the typist operates the processor's keyboard.

Where OCR comes in is to make every typewriter an input unit for the system, allowing the word processor to be used solely for the job at which it excels, namely editing and final copy preparation. OCR equip-

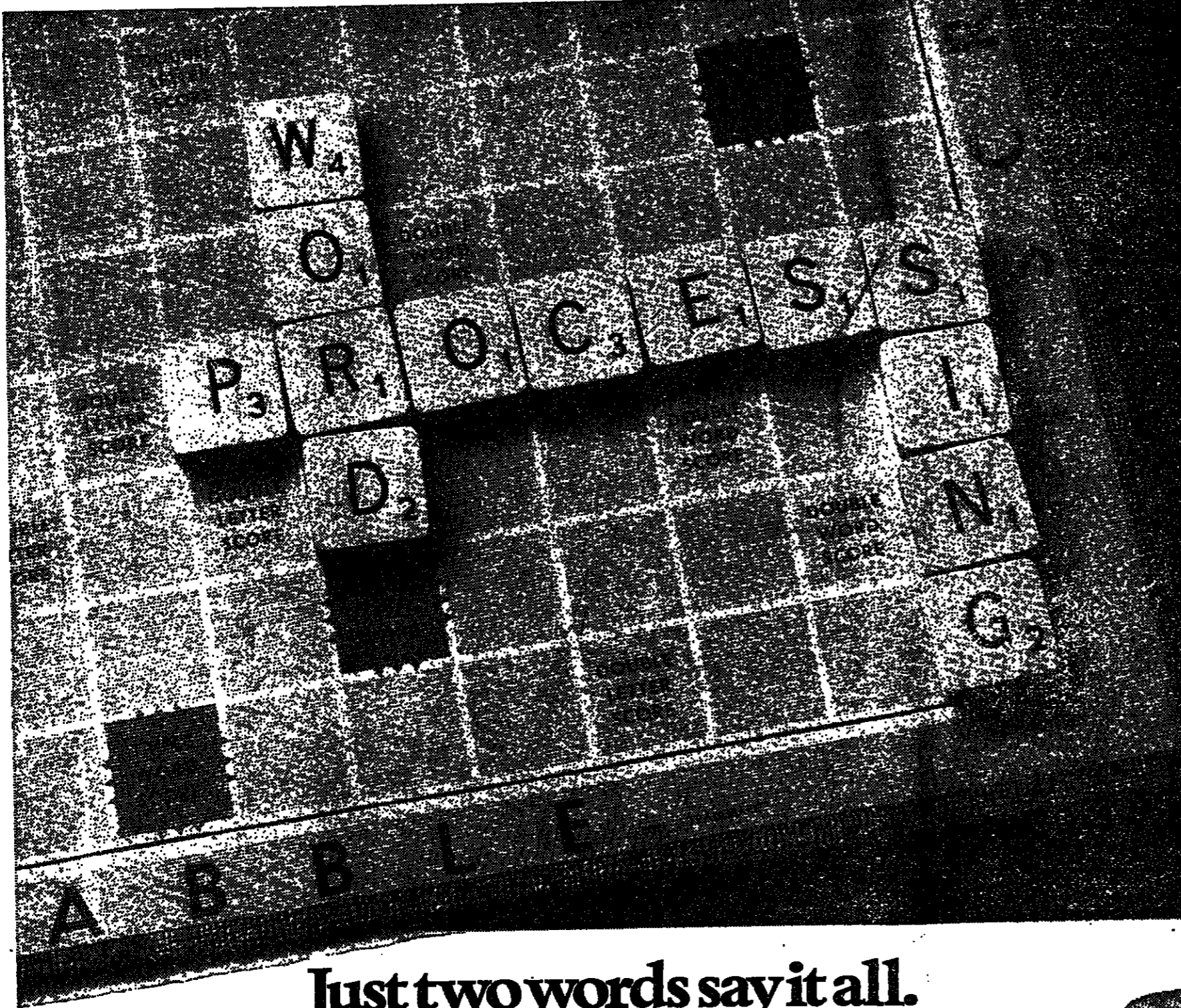
ment has been around for years and was—at the outset—large, complex and very expensive. The advent of the microprocessor has allowed units costs to be cut by a factor of better than 10. At the same time the readers can put out coding to match any need and read a variety of fonts.

The impact of the development in the manufacturers' suggest, an improvement in word processor efficiency of 500 per cent by leaving all keyboarding to non-intelligent units and thus banishing input from the editing terminal. Office staff may view this possible development with some despondency since it would seem to close off one avenue of promotion. But events in the office world do not move all that fast.

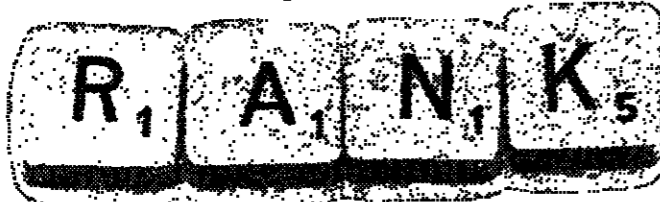
Meanwhile, a branch of the International Word Processing Association—non-profit making and individual—has been set up in Britain.

It should be a fruitful source of advice and experience for managers and staff alike, especially as it is now seeking links with educational bodies to make the latter aware of what a career in word processing means.

Fed Schoeters



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FT3

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Options open to the managers

AS WORD processing comes to appear more and more a necessity for the medium-sized to large organisation, the responsible executive—services, or data processing, or communications manager—is increasingly required to make a decision between which of the various word processing modes his company should opt for.

A number of variables will determine his choice. First, the size of the company, and its structure (one location, several locations, many branches) will tend to suggest either a centralised or decentralised mode.

Second, the tasks performed by word-processing equipment—whether there is a high proportion of standard documents, or a larger percentage of original material, or again a high proportion of material which must draw from centrally stored data-banks—will indicate a choice.

Third, the destination of the output—whether it is for customers, or internal consumption, or both—will affect the decision.

Basic To cope with the range of alternatives and possibilities, the manager has three basic choices: the central computer-linked system, the "stand-alone" system driven by its own micro-computer, and shared logic systems. Each has its advantages and drawbacks, though the latter two, and especially the last one, have grown in popularity and in the range available in recent years.

The central computer-linked route is one naturally suggested in a company where the data processing functions are already highly centralised, and where the tasks which are envisaged for the word processing equipment are likely to include a high proportion of sophisticated usage.

Naturally, if such a route is taken, the amount of prior planning which must go into it is

high. Managers must forecast both what the regular workflow through the stations will be, and make allowances for the peaks and bulges in that flow, as when a mass of material must be processed in a short time and thus extra space is required continually in the central computer.

Allowance for these peaks must be built into the programme from the initial design stage, or unacceptable delays will occur: the system will be found to be inflexible when it is most urgently required.

In this context, it is clear that data processing and word

processing are—while similar functions—different in a crucial aspect. The first is much less "user reactive": that the second, Shorn of jargon, this means that data processing tends to work to a constant and predictable flow, while word processing, no matter how well planned, is subject to quite large fluctuations of flow. As in any such system, spare capacity must be kept available for the peaks, and so inevitably be

In brief, the advantages of such a mode may be economy: the ability to share space which may anyway be spare: the ability

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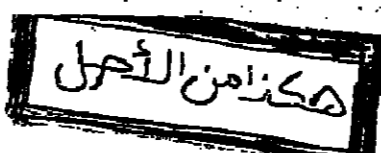
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Users now getting what they want

INDESTRUCTIBLE Herb Groesch, one of the grand old men of computing, who cut his teeth on the first post-war computer, says the future of micro-driven personal computers is bright.

Micro-processors and the micro-memories developed for them would help to turn the dark satanic office into a happy place. They would take over the dull routines of letter sorting, handling and even writing, including checks on spelling.

Mr. Groesch warned manufacturers and sellers of equipment not to be too concerned with cost savings or the last drop of efficiency to be squeezed out of a machine. They should use their energies, he said, to produce equipment that would enhance the quality of the office product.

Had he looked around in Britain some five years ago, he might have found the first "Diamond", which also was the first stand-alone European word processor driven by a micro and using a screen, floppy discs and a daisy wheel printer.

Last year its makers, Data Recall, passed the £1 turnover level and that after sticking stubbornly to its stand-alone guns from the beginning, At Wembley this year, Diamond 5 will be unveiled. The company started the series with an Intel 8080 and 32K of random access memory.

That has doubled and the Zilog 8800 processor has replaced the earlier chip without price alterations but with the addition of systems facilities such as ability to "talk" to another Diamond over the telephone.

Now the market for stand-alone processors is put at only 4 per cent of the total population in Europe. But there are many thousands of non-intelligent magnetic card units which have few capabilities other than memory and are the targets of successful designers such as Data Recall.

Faster

By 1983 60 per cent of installed word processors in Europe are expected to be stand-alone and production of such machines will grow at a rate seven times faster than the total word processing market, which itself is expanding at about 30 per cent yearly. And none of this would have been possible without the extremely rapid developments in micro-electronics of the past few years.

It is this type of forecast and the knowledge that even the simplest micro-based unit can make the magnetic card machine look like a toy that prompted Pat Cohen of Logica VTS to say of Nexos—the NEB-backed office electronics venture—that it had many advantages over the giants such as IBM and Xerox despite the vast amounts of research and development money they could spend.

The £40m given to Nexos might appear paltry by comparison, but that company was not hampered by a base of obsolete equipment into which any new development had to dovetail, while running the risk of an avalanche of returned equipment.

But Nexos is under the Keith Joseph axe, since co-operative

ventures of this type do not conform to Conservative philosophy. Nevertheless, they represent the quickest way of getting such a complex product as an integrated electronic office to the market, without requiring comparatively small companies to master a technology (or technologies) with which they are not familiar.

Already Logica word processors have been demonstrated, working in conjunction with Muirhead facsimile equipment, these being the first two companies to back Nexos. The increasing power of micro-electronics has been used in a different way by Olivetti to create its new electronic typewriters which contain a number of processors, a daisy-print-wheel and its drive and nothing much else beyond a few years' careful thought.

Two models, differing in the amount of information displayed, have memory enough to store a whole series of day-to-day phrases, addresses, etc., that occur in a company's correspondence. The memory is non-volatile so the data does not go if power is switched off.

Practically all hitherto mechanical functions have been automated—for instance subsequent sheets of paper are placed exactly where the typist decided to put the first one. And end-of-page warning is given several lines ahead. Automatic centring, pitch change and vertical lining are also provided.

There is no carriage and the print head will cope with all European languages, while moving to another font is practically "on demand". In fact Olivetti is presenting this series of machines as equipment which will speed up office work without any need for staff retraining. But to offer all these abilities in such a com-

compact machine would have been impossible five years ago.

Many otherwise well-informed people wonder why, since individual micro devices cost only a few pounds, the end products still bear the same or higher price tags. The answer is twofold.

Electronic drivers may be cheaper but they represent only a proportion of total equipment costs and anything mechanical or electro-mechanical is becoming expensive to make. Programming is also difficult and expensive, particularly with micro-processors.

At the same time any company hoping to stay ahead in electronics has to devote enormous resources to research and development. At Hewlett-Packard, for instance, they are roughly the same as the amount set aside as profits, a fact which should not be ignored by politicians and civil servants.

But it is out of daring development that significant innovation frequently comes—for instance the voice synthesiser in the teaching aid that Texas Instruments calls "Speak and Spell." Initially used in this semi-toy, the synthesiser will appear in many other types of equipment, together with plug-in vocabularies that will be used on future word-processors as spelling checkers. Whether this will allow designers ultimately to dispense with the display remains to be seen.

T.S.

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WFT11



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Options

CONTINUED FROM PREVIOUS PAGE

to access a mass of data, which may be a necessary requirement of the system; and the necessity, imposed by the nature of the system, to plan carefully ahead. The drawbacks are that even a careful plan may need careful amendment; that any such system is to a degree inflexible; and that it can create unused capacity which may not always justify its cost.

Stand alone equipment tends to be the natural choice for the smaller organisation, or the organisation of any size where the stations are normally called on to perform "low level" tasks such as reproduction of standard documents. Stand alone processors are rapidly becoming more and more popular, as they are adopted by small businesses or by the branches of larger ones, and as the equipment itself becomes more sophisticated.

The increased sophistication depends on the increasing power of the micro-computers which drive it, and which can now give the user the possibility of combining both word processing and some data-processing capacity on the same stand alone processor computer.

Since a large number of word processing tasks will combine "low level" tasks, like standard copying, and "high level" tasks, such as accessing large databases, then increasingly it makes sense to evolve combined systems, where the stations can both stand alone and be linked to the centre. The

caveat—that careful planning is essential—applies with even more force here than in the central computer linked route, since random accessing to the central computer without it could lead to major hold-ups.

However, as software becomes more and more sophisticated, as micro-processors come down in price and as central computers themselves become more powerful, flexible and more able to cope with peripheral demands, such systems are finding greater favour with the manufacturers and with the users.

The shared logic, or multi-station approach, which began to be developed about two years ago, is, according to its supporters, the most attractive to a number of types of user. Typically, these users would wish to install at least six and no more than 40 work stations (a visual display unit linked to a keyboard).

If fewer than six stations are required, the user will find it more economic to use stand-alone processors: once above 40, and the option of the mainframe becomes more attractive.

For the medium size user, however, shared logic processing systems, if efficiently used, can provide the slimmest answer. Such a system depends on a central processor designed for a word processing application, linked to storage facilities for the work stations, and to printers for their outputs. Shared logic offers the

advantages of a very large storage facility on which high amounts of information can be both stored and retrieved. While the initial outlay is much greater than that on stand-alone systems—though the prices tend to come down—experience in its proper use can lead to high levels of productivity and output, giving benefits of scale which a single stand-alone station cannot.

Second, the ability for logic-sharing work stations to communicate with another can be an asset for a business in which the stations are remote from each other, and where a large amount of intra-office memoranda must be passed. This is especially the case in organisations where the branches are geographically separated.

Third, the economies of scale extend not only to the central storage capacity, but in access to the printers—one or two can serve a number of stations—and to paper loading, where the central printers only need be loaded, rather than each individual station as is the case with stand-alone equipment.

Finally, though the manager still does have these three options from which to choose, the movement of the technology towards distributed processing, and the continuing adaptation of mainframes to this process, means that the three are not so clearly differentiable as two or three years ago.

John Lloyd

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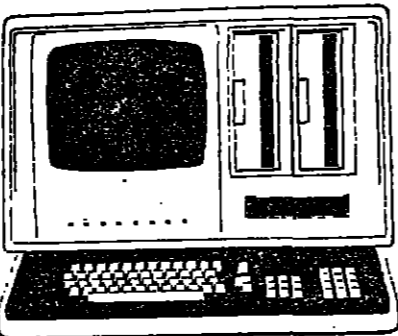
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Jacquard Systems
for the automated office



Above: Wang's new Office Information System can hold up to 2,000 pages on a 5-megabyte disc and supports up to 14 work stations like the one shown here. Left: The Olivetti TES 501 with automatic sheet feed will speed the production of lengthy documents.

Towards instant correspondence

COMPUTER TECHNOLOGISTS have a long and consistent history of blundering in their choice of words for new feats of invention.

The term "electronic mail" as an extension to that ugly expression "word processing" is not merely misleading, but even perhaps politically and commercially damaging.

Politically, the suggestion that electronics will be a substitute for postmen is inept at a time when computer-driven systems of all types are being evaluated with distrust and suspicion by many different trade unions.

And commercially, the term "electronic mail" has an alien, futuristic ring which is misleading to those who are not experts in the subject. It seems to imply that, in some mysterious way, ordinary letters can be evaporated into electronics, trans-substantiated across the ether, and made to reappear magically in a remote location.

Computer people enjoy this sort of magic and the enthusiasm which it generates, and they coin phrases accordingly. In the ordinary conduct of business, however, such concepts are likely to put an unnecessary strain on the imagination of ordinary people, for whom methods of communication are often incidental.

In fact, "electronic mail" has very little to do with the postal service, although it will be a competitive method of transferring some types of information. It is much more closely related to the old familiar Telex, and though it uses more sophisticated techniques, it is conceptually very little in advance of Telex.

The main difference is that electronic mail systems use as terminals, word processors (we cannot avoid the words now), which will generally be part of a modern secretary's normal equipment. After a document has been typed out, encoded in digital pulses and stored, usually on a tape or magnetic disc, it can obviously be transmitted down a wire to some other location.

Even in fairly simple systems the coded information is likely to travel a few metres down a wire from where it is typed to a printing unit in some other part of the room.

In principle there is no reason why the wire should not be lengthened a few kilometres or a few hundred kilometres, so that the document can be printed in some remote office. A large number of similar machines can be interconnected so that the printer or display unit of one machine shows messages originated on another.

Moreover, switching networks are being devised to enable a message typed on one word processor to be sent simultaneously to a large number of different receiving stations. Typically a page of typing can be transmitted in about two seconds, but some systems are much faster.

Wang, the U.S. market leader in word processing systems, has recently announced a communications system which will link its terminals together and allow them also to be connected to a central computer.

Although the techniques for linking terminals are well advanced, the number of installations which would be dignified by the term "electronic mail" is small even in the U.S., and extremely small in Europe.

The reason is that communications systems which depend upon the possession of a specific and quite expensive piece of machinery cannot properly be compared with such a general delivery system as the postal service.

In the great majority of installations, the communicating ability of word processors is used for distributing information within a single site, but in other examples in many remote locations.

Texas Instruments, which has one of the most highly developed systems in the world, uses satellite links to connect more than 5,000 terminals in its 48 plants distributed between 18 countries throughout the world. By the mid-1980s the company expects its information network to include 25,000 terminals and 10,000 mini-computers. It therefore promises to be one of the wonders of the world.

Power

The Texas Instrument system, by which a message typed in Dallas, Texas, can be flashed almost instantly on to screens in subsidiaries throughout the world (or vice versa) indicates the power of an electronic information network. But it also shows the limitations of the concept described as "electronic mail."

The TI satellite network is not essentially conceived as a substitute for mail. It is a giant computer network which enables design data, production figures, accounts and all other company information to be processed and made accessible throughout the world. The possibility of sending messages is integral, but relatively small part of the total system.

A glance at technological trends reinforces the point that the separate identity of word processors is likely to merge with that of data processing terminals, and the concept of "electronic mail" will become scarcely distinguishable from that of other types of distributed computer networks.

Wang had, indeed, recognised the same idea by laying down as corporate strategy the expansion of its sales of small to medium-sized computers.

Instead of specialised "word processing" and "data processing" equipment, companies will be able to buy sets of small computers and "intelligent" terminals (a terminal with some computing power) which will all be linked together. Some of the machines plugging into the network will be specialised for producing documents, while others will be oriented towards data, but they will all be able to handle both.

This flexibility of design is not merely an accident of hardware. It springs logically from the fact that large parts of the data of many businesses are now stored on computers. It is clearly more efficient to transfer this data directly from one computer to another rather than to go through the old-fashioned process of sending tables of figures through the mail.

Since many letters and reports are intimately related to the statistical data of a company, it makes sense to integrate the production of documents with the data network.

This development of computer networks leads naturally to the idea that money can be transferred automatically from one bank account to another by computers talking to each other. This already happens extensively within the banking system for standing orders and

more recently automatic cash dispensers.

The next stage of "electronic funds transfer" clearly will be to link the bank computer system with the computers of the larger retail stores. Already some of the larger stores have installed point of sale (POS) computer terminals in place of their old cash registers.

In principle, these terminals could be adapted to accept a credit card with a magnetic code which would enable the customers' bank account to be

directly debited after a purchase without any cash, cheques or paper slips changing hands.

The great obstacle to this kind of system, as with any general spread of "electronic mail," is the difficulty of agreeing standard systems to apply for all customers of all banks and all makes of terminal in all shops—a formidable task.

As often happens with computer applications, people turn out to be more complicated than the machines.

Max Wilkinson

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هكزامن الأجرل

Handwritten signature or mark in a box.

Management cautious about change

THE VERY mention of word processing conjures up images of perfect copies of letters and other printed material produced at great speeds and with few errors. It also conjures up images of a new technology at the vanguard of new technology, redundancies and confrontations with unions.

Managements are only too well aware of both pictures presented by the advent of word processing, particularly in more recent years when microprocessors have expanded enormously the range of capabilities of word processing machines. It is not surprising therefore that managements think very carefully before spending about £5,000 and upwards for a machine that offers great promises but demands a certain price for fulfilling them.

Certainly, widespread acceptance of word processing has been a long time coming in the U.S., companies have been coming to terms fairly rapidly with what the technology offers. In the UK, on the other hand, there has been a much more guarded reaction and growth of the market has not been at the pace that the industry initially envisaged.

Reasons
There are many reasons why management is taking its time in coming to terms with word processing. A major factor according to many—albeit partisan—accounts within the industry is that there is an in-built aversion to change, a factor is often cited as being the cause of Britain's general slowness to adapt to change.

They frequently find that they are unable to cut back on staff and that for an outlay of anything between, say, £15,000 and £20,000 they are getting more nearly produced material, but at the same labour costs as before.

If they should endeavour to implement staff cuts they find, not surprisingly, that the union involved will step in and resist such a move. The best that can be achieved is that no cuts are made initially, but that a vacancy is not filled when it arises.

Managements will generally find union resistance to be far more aggressive when the introduction of large word processing machines is being contemplated. This is because not only is there the prospect of staff cuts but the whole pattern of working may be changed as well. It may be that the small central secretarial pool is to be enlarged and that a system of personal secretaries will be phased out. This throws up a whole host of questions, and thus problems, about status, pay differentials, and other factors. Far better to leave things as they are, managements will be tempted to say.

Many word processing machine manufacturers have come to the conclusion that any argument about increased efficiency of secretarial staff is the wrong tack to take initially when it comes to winning over management. They believe that instead, they must lay stress on the savings in management time that can be achieved, and that if they can get this message across the cost benefits of word processing machines become very clear.

The legal profession, for example, is frequently cited as being ideal for major increases in output. Legal documents must be free of any errors or corrections. Therefore, any secretary typing out some form of agreement will probably slow down considerably towards the end to avoid making a mistake which will require the document to be typed again.

The word processor, on the other hand, allows errors to be corrected, and additional words, or even paragraphs, inserted before a final print-out of the document is made. Furthermore, if, as is frequently the case, a standard legal document is being drawn up requiring insertions relevant to the particular client, the standard part of the document can be programmed into the word processing machine's computer and printed out automatically at any time.

It is in cases like these—where a manager will not have to bother about checking anything other than those details which are not a standard text—that considerable time-saving can be achieved, the manufacturers argue.

But while such savings in management time can undoubtedly be achieved, the word processing machine does virtually nothing to alter the content of the senior executive's job—it is the secretary and typist who reap the major benefit on this front. So other factors—some rather esoteric—are stressed to win the manager

over. The quality of his type and printed materials will be much improved, it is claimed, and this will raise the quality of the image presented by the company to the outside world.

The speed with which developments have taken place must also add to management's indecision. The thought that by the time a machine has been installed and been in use for a short while a more powerful or flexible version will be on the market can be a deterrent. Certainly many of the models on the market can be leased, which provides some protection against the advances of technology, but it may not be the total answer. So the temptation yet again is to leave well alone.

Then there is the quiet battle being fought out between manufacturers over the merits of a word processor with a visual display unit (VDU) and one with a "thin window", which is akin to a conventional typewriter in the way that copy is printed out. "Thin window" suppliers, such as Data Dynamics, which markets the Artee machine, argue that their system is much easier on the eyes since there

is none of the flicker associated with a VDU and that it is particularly suitable in cases where secretaries or typists have a lot of work to do with a machine.

On the other hand, VDU manufacturers such as Siemens maintain that it is much easier for alterations or corrections to be made with the aid of a screen since the operative has a much larger slice of text to work on. They also deny that operatives are troubled by the strain of reading a screen.

One thing is very likely. Any consideration of what machine should be used will bring management back to the question of under what conditions the users of word processing machines should work. That in turn leads back to the need to satisfy unions and to avoid upsetting the morale of a workforce.

Unquestionably, word processing machines offer the possibility of speeding up many areas of secretarial and typing work. But their introduction requires much more consideration than merely deciding to install one.

Nicholas Leslie

Need to catch up on training

"DON'T THINK about it. Just keep doing it," bawled the Royal Navy instructor as we raw recruits battered big black typewriters in time to a tune called "Scatterbrain" played on a variable wind-up gramophone. "Don't let me catch you looking at your keys, neither!" The tune's title was apt because success in that

National Servicemen's course in touch-typing depended mainly on our becoming able to withdraw the mind completely from the process in hand. The key to efficiency was to establish a reflex link by which the words and figures of the text to be typed could travel uninter-

rupted from the eye to the well drilled fingers. And the fact that this essentially mindless skill has been drummed into millions of office workers as the foundation of their wage-earning ability could well be an obstacle to the effective use of the wide possibilities of word processing equipment. Once installed, the technique of disconnecting the intellect

can be readily re-activated. For example, on the rare occasion of a need to type out a previously written text, I can still rattle it out at 50 to 60 words a minute even when conducting a tolerably intelligent conversation with a colleague. And if tuned up by constant exercise to the tempo of "The Flight of the Bumblebee," the same technique easily can and often does become habitual, and enjoyably so. An efficient copy-typist could virtually be defined as someone who can keep the folios flowing rhythmically and accurately while planning the guest-list, menu and wardrobe for an impending engagement party.

The implication of this seems to be missed by many working organisations turning to word processors. Perhaps because a lot of the managers concerned are men who have never been drilled in touch-typing, there is a tendency to believe that office staff to whom intellect-disconnection has become second nature need only a bit of extra rote-learning as to which button does what, to become capable of producing an adequate return on the employer's investment in the expensive new equipment.

Gain

This is not to say that it is impossible to take basic office staff and equip them to work the machinery adequately in line with office procedures somewhat revised to permit the saving of a few salaries. But that is a different thing from gaining an adequate return on the investment—a gain which depends on the recognition of two possibilities.

The first is that the great versatility of word processing technology can allow established procedures to be completely redesigned, enabling necessary work to be done more effectively by a staff perhaps half the size employed before. The second is that the jobs of those remaining can also be redesigned so as to make use of the equipment, not just as a replacer of some people but as a "motivator" of the others, giving them the opportunity to increase both the depth and the range of their occupational skills in finding ways to work more effectively.

As usual, however, these possibilities cannot be realised without the prior acceptance of a "cost" which, on past experience, seems more often than not to prevent technological developments from being exploited to the full in white-collar occupations. The cost is an upheaval of working practices throughout the operation

concerned. One basic change which is generally required is in managers' perceptions of what is needed in the staff who will physically work the new equipment. Handing this task simply to the best practitioners at the copy-typing level will not necessarily produce the best result.

If the technological possibilities are to be made to serve the organisation well, sheer mechanical skill and the ability to apply it to existing procedures will surely be less important in the operator than the capacity and interest to acquire an increasing understanding of the equipment, and to interact with senior staff in extending its profitable use. In this, the technique of disconnecting the intellect is virtually the opposite of what is needed.

But it is not necessarily wise either to hand the operator's job to someone at a higher level of work—concerned, for instance, with administrative aspects of an office. Such people might well respond more quickly than those doing basic tasks to the short conversion courses usually provided by the manufacturers of word-processors, but the longer-term result is liable to be against the employer's interests. Evidence has already appeared that, once the novelty has worn off, operators who have converted from the administrative type of work are far more likely to leave the company than are operators who have "stepped up" from more basic jobs.

Criteria

So far, this problem seems to have been tackled successfully in two different ways. One is to make the capacity for and interest in learning new skills the main criteria for selecting operators from junior staff. The other is to reorganise the work so that more senior employees mix administrative kinds of task with operating duties, perhaps according to a rota.

In either case, however, really profitable use of word processing technology calls for an investment in training of the people concerned, well beyond the usually short periods of tuition furnished by manufacturers. Indeed, if the possibilities are to be anywhere near fully exploited, the training requires to be extended beyond the operators and supervisors directly involved throughout the levels of staff right up to the management whose needs the forms of documentation adopted by the organisation are intended to

serve. And at present the various kinds of training required are far short of being supplied by either the private or the public sectors of education.

At the basic levels, EVRO Management Skills, of West Wickham in Kent, has lately produced an audio-visual programme consisting of five "modules" which deal successively with the concept of word processing, the machinery, implications for different broad types of work, the applications of the new development and putting the applications into practice. As well as 50 colour slides and a synchronised commentary, the programme—which sells for £650—includes a written text of the commentary for subsequent revision.

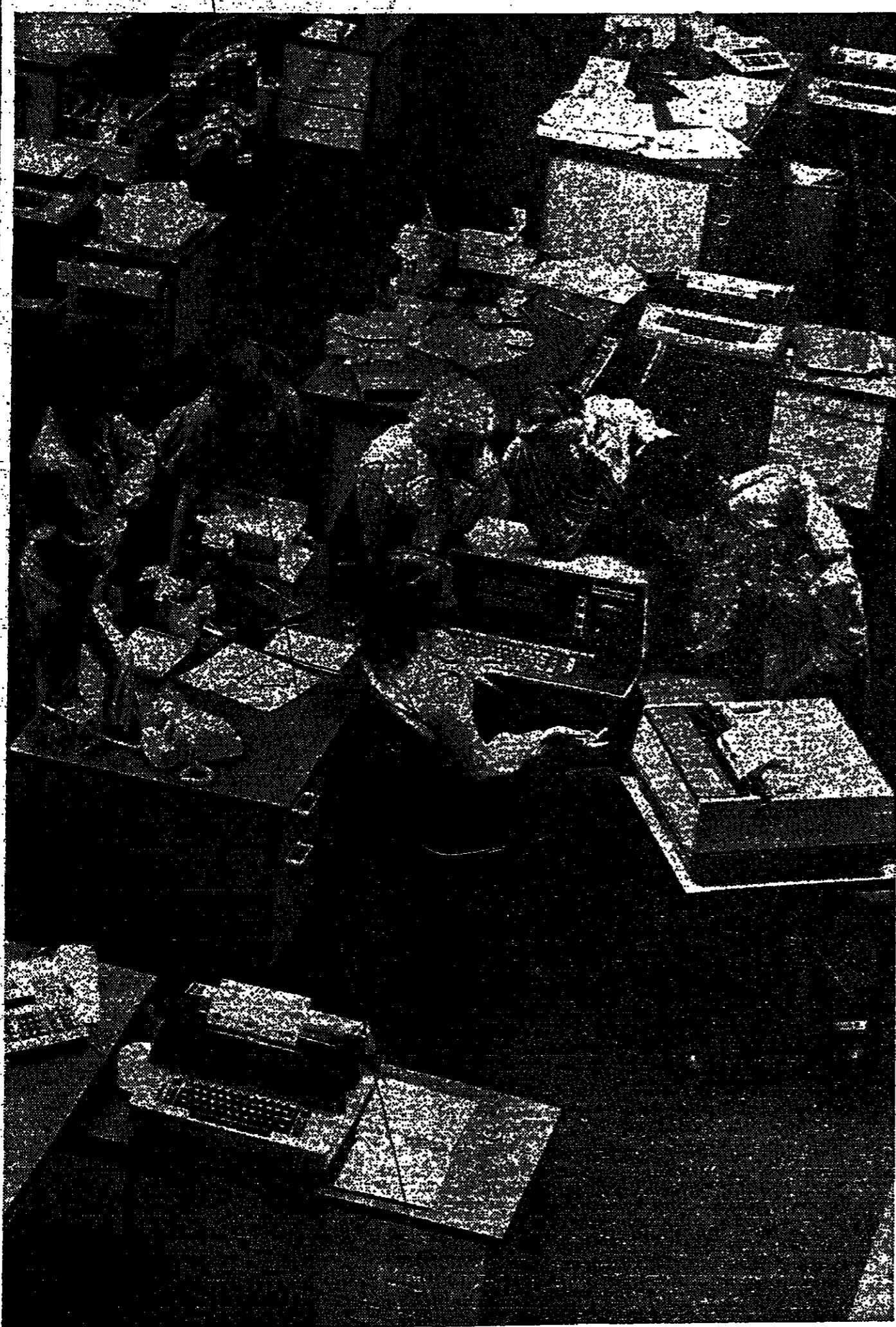
Interval

The whole programme could be presented end-to-end in only about half a day, but rather than so risk overburdening people with concentrated instruction, it is probably better to run the course over several days with a decent interval for reflection after each module.

But in general the training world is only just starting on the road to supplying the courses required to generate competent operators and supervisors of word processing technology, and adapting their existing programmes for types of staff less directly affected so as to take due account of the development. Fortunately, the prospects of better and bigger supplies of training have recently been improved by the formation by the Business Equipment Trade Association of a special word processing education and training sub-committee under the chairmanship of Mr. Henry Goldberg, of ICL.

The sub-committee has already enabled the needs of the new technology to gain a hearing in several conferences concerned with broader aspects of management training, and from the autumn onwards will be staging specific conferences of its own. But there is another area where its attention is needed. At present the State colleges, in particular, are short of money to buy specimen equipment. It is time that the manufacturers were brought to realise that their collective self-interest would have much to gain by the supply of their products on generous terms to educational institutions which are keen and able to put it to good use.

Michael Dixon
Education Correspondent



The office of the future has just arrived.

The day it arrives, a Lexitron word processing system will probably hold up production for a bit. But after that, office production will never be the same.

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WORD PROCESSING VI



IBM's Office System 6 has an optional feature which allows text and information distribution over public network lines and can be linked to a suitably programmed computer for access to files and information.

The big company networks

A GREAT deal is being talked and written about the "office of the future" but until recently few people had been able to put a finger on its essential characteristic—that is, interconnection on a wide geographical scale of the mass of equipment available now or shortly to be available put hand-in-hand with ability of the various units within an office to communicate with each other.

As seen by the head of the Office Technology Research Group of Pasadena, Mr. John Connell, this hypothetical office will have word processors with local and remote capability, electronic mail terminals associated with these, computer conferencing systems, local computer power with access to main company data banks, etc.

But there are very few electronic engineers who have experience of linking hitherto unconnected technologies, though some of these technologies are being used or applied remotely over very long communications links.

Challenging IBM on this front is Xerox Corporation with Network Xton which, so far as can be gathered from the rather scanty details the big group has to date released, will offer document distribution, teleconferencing and data communications—the latter to include computing service on demand.

There is heavy emphasis on electronic mail here, and Xerox has already proposed that only those companies able to serve 100 cities should be allowed to enter this area. So electronic message services (EMS) would be limited to a handful of the biggest groups.

Xerox is believed to be well advanced towards satellite use, and so is Univac. But IIT has been making acquisitions that look very like an advance into the corporate total communications area, and so has Exxon.

In Europe Philips has been for several years a protagonist of advanced communications including TV phones to allow people to spend longer at their desks rather than in airport traffic jams and passport queues.

Gaps

Even IBM still has many gaps to close in this area, though it recently announced an office hybrid information distributor that combines word processing abilities with copying, memory, data communications and a laser printer. It uses micro-processors as managers and can store, manipulate or receive text generated internally or at some distant point linked by a telephone line. And to underline that "you can't win them all" is the fact that ICL will have a year's lead on IBM in providing the software needed for large computers to enable them to co-operate with word processors. ICL calls its product Wordskil Manager and it should be ready by August.

IBM's Distributed Office Support System, which will tie the 3370 communicating work processor into 370s, 3030s or 4300s, will not arrive until July/September 1980.

However, that is only one smallish corner of the total picture. And only a handful of companies are addressing themselves to providing a total corporate communications service.

The bell-wether is of course IBM with its Satellite Business Systems (SBS) affiliate and the target is the \$100bn worth of business communications in the U.S. by 1985 (\$60bn next year). SBS will have two smallish satellites in orbit in 1981 and will provide capacity for the equivalent of 14,000 voice circuits, but will offer computer to computer linking, fax, video, electronic mail, etc., presumably away with the market, the

European PTTs will have to discard decades of mutual distrust.

They must be well aware that it would be far cheaper for a few large European companies to band together and obtain their own satellite than pay current extortionate rates for speech, data and message transmission.

However, Europe might just manage to steal a technical march over America in the satellite communications field, despite the Intelsat network and SBS type services. ECS—for European Communications Satellite—is the name of the game. To be launched in 1981 and put into operation by 1983, it will be the first big experimental use of digital transmission for international communications and up to three years in advance of Intelsat despite the latter's years of experience and, currently, 13 synchronous "birds" strung out

around the equator.

Of course part of the capacity with ECS will go to improving the television hook-up, as well as providing essential interlinking between European national networks. It also should be made available to providers of services comparable with those about to be offered in the U.S. The reason is obvious—leave a potential market untapped and organisations which have reached world stature on their marketing ability will soon fill it.

No single organisation anywhere is, so far, able to supply global corporate information handling services with the provision of equipment for users and to carry the traffic it generates. But how far from this goal are the large European companies for whom data processing or communications is essential business?

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London galleries

Summer shows by WILLIAM PACKER

The London Art World is full of distinguished and clever women, and indeed without them it could hardly continue in its daily orbit.

In the course of the Seventies, Anney Juda Fine Art, her quiet and modest enterprise tucked in beside the Middlesex Hospital has grown into one of London's best modern galleries.

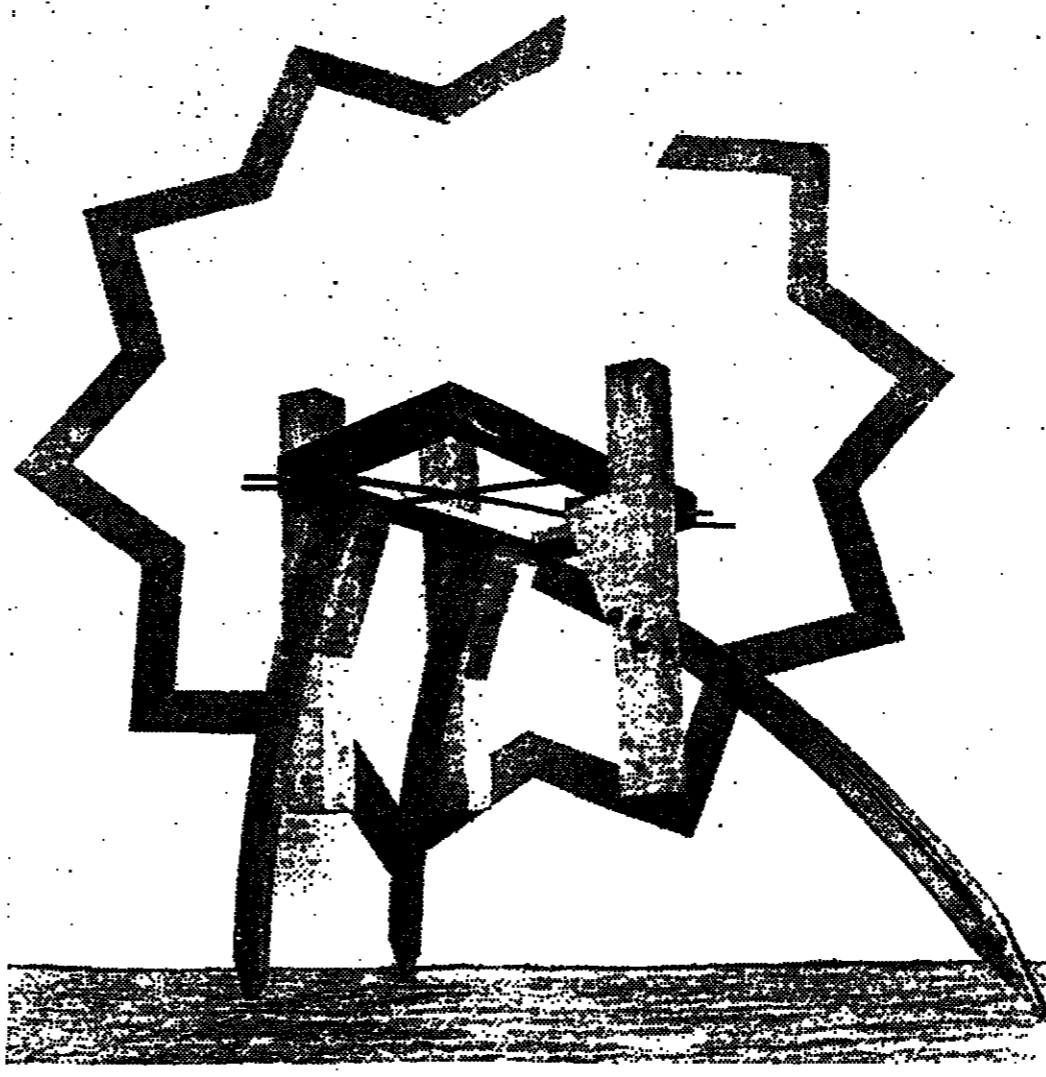
This year the show is rather less ambitious than usual, but only in the sense that far fewer works are included, and these by a mere handful of artists.

The work is generally small, most of it on paper and all the oil paintings modest enough in scale by modern standards.

There are excellent and fascinating things from Moboly Nagy, Theo van Doesburg and East van der Leek, but the heart of the show, its overwhelming justification, beats upstairs where a magnificent painting by Mondrian swells beyond its physical limits to make the room seem rather small for it.

His admirable study of Nielsens, published in 1971, showed Richard Buckle as a scrupulous analyst and illuminating commentator.

The problem perhaps is the energy and creative restlessness that spawn such a profusion of



Sculpture by Paul Neagu

things, drawings and graphics as well as sculpture. With them flood in all the jokes, conceits and hidden meanings of a man full of ideas.

Richard Buckle, in his Diaghilev Exhibitions in Edinburgh and London, revealed a flair in presentation that might have belonged to the presiding genius of those shows.

His admirable study of Nielsens, published in 1971, showed Richard Buckle as a scrupulous analyst and illuminating commentator.

BBC radio and the IBA are to join forces to mount a seminar during the 1979 Edinburgh International Festival.

to find a way through this expanse of archive material,

irritatingly casual. But ritual must remain implicit to retain its mystery, and I would rather not know of the significant spiral they describe when rocked: the broken stars on the walls, with their numerical resonances, are more potent explained, and more real.

Neagu's tripods, arches and circles are indeed mysterious, structures, arcane implements, totemic ploughs that might just break the surface of the imagination if not made safe.

Material weight of factual matter at once establishes this as the definitive biography of its subject. Like George Painter in his tremendous Proust study, Buckle has collated his sources with exceptional assiduity to chart Diaghilev's career.

The book is either too long or too short. My own wish is that Buckle should have been encouraged to produce a two-volume work, incorporating a history of the Ballet Russe and its antecedents in Diaghilev's creative life, as well as a biography of the man. Buckle's own talent, the insights that have ever made him a compellingly good critic and writer, and his elegant prose style, would have had proper room to assess and illuminate the nature of the company and the life of its master, placing both in their social and artistic setting.

BBC/IBA seminar at Edinburgh

Aubrey Singer, managing director of BBC radio, will give a lecture in the morning. The ensuing discussion will be chaired by John Thompson, director of radio for the IBA.

In the afternoon, John Thompson will give a lecture, introduced by Richard Findlay,

The opening ceremony was followed by a short concert given by the three bodies for which the Scottish Philharmonic Society is responsible and whose home base the new hall

The Songmakers' Almanac are to give a special concert at the Wigmore Hall, London, on Wednesday, August 1, to celebrate the 80th birthday of their patron, Gerald Moore, the previous day.

The concert, Moore's Young Almanac, will take the form of a song biography tracing the life and times of the celebrated accompanist.

Artists taking part include Felicity Lott, soprano; Anthony Rolfe Johnson, tenor; Richard Jackson, baritone; Graham Johnson, piano, but the content of the programme is announced as being "a closely guarded secret."

Gerald Moore has taken an interest in the Songmakers' Almanac right from its beginnings. He and his wife will be in the audience for the concert, which is expected to be full of surprises.

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Chesterham Festival/Radio 3

Crosse's new Concerto by DAVID MURRAY

Saturday night's Festival concert in Chesterham, and a major première, fell to the Hallé Orchestra under Elgar Howarth. They made much of the grotesque splendours of Le Chant du Rossignol, the symphonic poem Stravinsky adapted from his opera, and adapted Debussy's L'Après-midi d'un Faune delicately and tenderly.

here is excellently idiomatic, telling and varied. His characteristic tone of voice, domestic elegiac is well suited to the plan of the piece, which has the epigraph "In Memoriam Luigi Dallapiccola" and is scored for modest forces.

Most of Crosse's regular and recent preoccupations are represented in the work, which strikes me as one of his best. He is drawn to writing for solo instruments, and the cello role

Clarifying the law

THE Conservative Manifesto promised that a Tory Government would seek to strike "a fair balance between the rights and duties of the trade union movement."

Three areas

The working paper published by the Department of Employment yesterday confines itself to the three areas where the Tories pledged action at once. They are the closed shop, the provision of public funds for union balloting, and the reform of the law relating to picketing.

The first two grounds for comment are legislation on the closed shop which allows the dismissal of an employee for not being a member of a union unless the employee concerned genuinely objects to membership on grounds of religious belief.

Again there is nothing especially controversial in the provision of public funds for union balloting. It is perhaps also likely to make it impossible for unions to argue against the holding of postal ballots on grounds of expense.

Cold dawn in Ireland

THE STATEMENT by the Irish finance minister, Mr. George Colley, that the economic situation there is no cause for panic, is the most encouraging development in the Republic's economy for some months.

Imports excess It must be admitted at once that the British economy might be in a very similar state at present were it not for North Sea oil. We too are allowing an excessive growth of bank lending to finance a large excess of imports.

Unhappy trends It is not much longer since Mr. Colley forecast to members of the investment community that the Irish pound would regain parity with sterling by the autumn; it is now at a discount of nearly 8 per cent.

Courage, not panic There is also some talk in Dublin of a possible realignment within the EMS. An outside observer can only urge that this should be avoided if at all possible, however painful the alternatives may be.

6 We must firmly reject and criticise all the decadent bourgeois systems, ideologies and ways of life of foreign countries. But this should in no way prevent us from learning the advanced sciences and technologies of capitalist countries and whatever is scientific in the management of their enterprises.

—the late Chairman Mao Tse-tung on 'the Ten Major Relationships'

China: risks and rewards for foreign venturers

BY GEOFFREY OWEN



FOREIGN companies are to be allowed to return to China as owners or partners of industrial enterprises. The law on joint capital ventures which was published in Peking at the weekend represents a remarkable change of attitude on the part of Chinese authorities towards foreign capitalists.

For foreign companies, the attractions of China's raw materials, cheap labour and vast internal market are obvious. Optimists in Europe and the U.S. believe that they will be able to use China as a manufacturing base from which to attack Japan in Asian markets.

disapprove proposals for joint ventures, normally within three months of submission. The Chinese partner may be an agency of the central government, or more probably a provincial or municipal enterprise; foreign lawyers felt it essential that the law should specify the top decision-making authority whose approval would clinch the deal.

The basis for agreement

While there are gaps and obscurities in the document, lawyers believe that it provides the basis for joint venture agreements, some of which are at an advanced stage of negotiation, to be finalised.

According to the Japanese newspaper, Nihon Keizai Shinbun, Toho Denki will hold 49 per cent of the venture. The plant is expected to have a capacity of 30,000 units a month by the end of this year, rising to 200,000 a month by 1980.

supplies capital equipment the cost of which is repaid by products made with the equipment. There are also cases of indirect compensation trade, where the imported equipment is paid for by other materials, such as coal, which the foreign company needs or is prepared to accept.

There are thought to be between 400 and 500 companies, mostly based in Hong Kong, which have either started production in China on the basis of compensation trade or are about to do so.

It is possible that some of the co-operative production agreements which have been negotiated in China over the past 18 months will be converted into joint ventures. Some Japanese, American and European companies have been involved in these arrangements, but the most active have been Chinese entrepreneurs based in Hong Kong.

Some are processing or assembly deals; the foreign company supplies raw materials and components which are processed by the Chinese for a fee. Garments and electronic circuit boards are two examples. Others take the form of compensation trade; the foreign partner

Chinese officials point to electronic instruments and components, computers, meters and domestic appliances as the kind of products which they see as most suited for joint ventures. In major cities such as Shanghai and Tianjin there is a substantial electronics industry, but it lags behind Japan and the West in design and in manufacturing techniques.

Comparative advantage

The emphasis on electronics accords with the new priority which the Chinese Government now attaches to labour-intensive light industry. It is in textiles, which includes textiles and food processing, where China should have a comparative advantage in world trade; investment in light industry is expected to provide the quickest returns in job creation and in the development of exports.

Will China be able to compete in these activities against Korea, Taiwan, Singapore, Hong Kong and the other fast-industrialising countries whose economies are already closely linked with Japan and the West? True, China has much lower labour costs, but the sceptics—of whom there are a fair number among businessmen and diplomats with a close knowledge of China—believe that this will be offset by numerous disadvantages.

Work rate and productivity are generally low in Chinese factories, partly because of the bad habits engendered during the Cultural Revolution when management's right to manage was seriously eroded. The structure of management within Chinese enterprises, with responsibility shared between the general manager and the secretary of the Communist Party committee, is not conducive to quick decisions.

MEN AND MATTERS

It takes billions to Quango

Philip Holland, the Tory MP who has caused such a furor with his book Quango, Quango is unabashed about his own contribution to public spending—the many Parliamentary Questions he tabled to collect his information.

The average cost of providing the answers is now about £27. "I have used every Parliamentary question about Quangos in the last five years to get some information," he tells me. "And in the last three and a half years I myself have tabled more than 200, and some of my colleagues—on both sides of the House—have picked up on different aspects and asked more."

Whatever this investigation has cost pales into insignificance when compared with the public money absorbed by the 3,068 Quangos he has so far identified. Holland says he is now trying to work out a total. The 390 whose accounts he has so far examined, get through, he calculates, £1.2bn a year.

But compiling even limited information on Quangos has taken "a lot of prodding." The answers in Parliament were and still are, often incomplete, or contradictory one another. He is not even confident that 3,068 is the whole story. No-one knows exactly how many there are, and no minister has been responsible for keeping even a list of all official bodies, he says.

One confusing factor is that large Quangos spawn an indefinite number of little Quangos: "If you take the Metrication Board, it was set up in 1980 without any reference to Parliament. This has a chairman and 12 members. They in turn set up eight steering committees, one for each different subject, and that created 104 more vacancies, and of course eight more chairmanships. . . I will just keep bashing on until their numbers are reduced."

Unwary parents will have to guard against the chance of being locked in a pitted and peelted with rotter tomatoes. But they will also be able to enjoy "medieval banquets" and Morris dancing.

Nice enough I gather that Morris Shenker, owner of Dunes Corporation which operates the biggest casinos in Las Vegas, has made a bid to take over the troubled gambling industry in Nice.

Shenker is keen to obtain monopoly control over the city's three gambling centres—the Palais de la Mediterranee (closed for months and occupied by its staff), the Casino Club, and the Rubi, France's second-ranking casino. If the deal goes through, Shenker would at the same time acquire 14,000 sq. metres of property for development around the Palais de la Mediterranee, plus the virtually abandoned Victorine Film Studios overlooking Nice.

Negotiations on the French side are being handled by the mayor of Nice, Jacques Medecin. He is particularly anxious to sell the Palais de la Mediterranee as quickly as possible. It is saddled with debts of FF 35m and, into the bargain, its lease is about to expire.

The mayor is not in a position to drive a very hard bargain. He says glumly: "When I look round for someone to take it over I sometimes feel like a father trying to dispose of an unmarried daughter, with a card round her neck saying: 'I have a terrible disease'."

Bosses unite A Press conference of a startling kind will be held today in Bilbao. At it, 800 firms in the Basque country will threaten to go into temporary receivership, as part of a political manoeuvre to draw attention to the region's economic difficulties.

Forest frolics

Robin Hood may once again gain the freedom of Sherwood Forest, thanks to the initiative of a Welsh-born ex-actor named Chris Kliszewicz. The role of the Sheriff of Nottingham has today been taken by Mansfield District Council, which has yet to yield planning permission to make possible the opening of a £3m "theme park" in which the medieval freebooter and his merry men will run riot.

With a consortium of backers, the 32-year-old Kliszewicz has founded Adventureland, to create a home-grown Disneyland, giving "an entertainment centre suitable for all the family, with educational benefits and providing a totally new experience."

The new experience will include dungeons and torture chambers, beer-drinking contests, and an outlaw club for boys who fancy defying the system. The park will cover 470 acres, 12 miles north of Nottingham. "We expect tourists from all over the world, not just from the Midlands," says Kliszewicz.



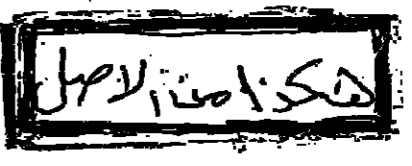
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Observer A member of the Bowing Group

هكمان النحر

Leasing on the treadmill



BY DAVID FREUD AND MICHAEL LAFFERTY

LEASING

The LESSEE leases a piece of capital equipment from the LESSOR, thereby avoiding the need for a straightforward purchase and stretching the cost of the equipment over a period of years. The LESSOR, who remains owner of the equipment, may set off the cost to him of purchasing it against his tax liability in the year of purchase. Since a tax liability subsequently arises on the payments from the LESSEE, payment of tax can only be averted in the following years if the income is offset by further acquisitions of items intended to be leased. As the business becomes profitable and expands, the volume of new leasing has to grow constantly to keep pace with income.

ment in finance house subsidiaries have so far had little discernible impact on the main boards. In simple terms, if for any reason a company has not set aside sufficient funds to meet its total potential tax liability, rental income alone may prove inadequate to satisfy the Inland Revenue.

Accountants point to another area of general concern, this time concerning the lessee. Current accounting practice is to keep off the balance sheet those assets financed through leasing. The consequence is that users of a company's financial statements will not be aware of the assets not owned by the lessee.

The UK accounting profession has been considering a draft standard on lease accounting for a number of years, but because of objections to the proposed position from the leasing industry nothing has yet been published.

The leasing industry does not want leased assets to be capitalised — i.e. to appear as fixed assets — in the balance sheet of the lessee. Most auditors favour capitalisation, however, on the grounds that the substance of a leasing transaction is that the lessee has acquired both an asset and an obligation. Capitalisation is standard practice in the U.S.

The leasing industry recognises that some disclosure of leasing obligations is necessary, but would prefer to see the information given in a note to the lessee's accounts. It sees capitalisation as a threat to the tax position, which might result in capital allowances becoming available to the lessee only.

The present position regarding company practice is not known. Some companies, for example Dunlop and Shell,

THE RAPID expansion of the leasing industry over the last few years has caused growing concern in official quarters, for several reasons. There are fears that the growth might contribute to financial instability and that too many people are using leasing purely to save taxes. There is also a mounting belief that leasing might not be the most effective way of channeling resources to economic uses.

In a recent speech, Mr. Gordon Richardson, Governor of the Bank of England, said that because of the risk element of leasing, "we must continue to take a close interest" in the industry. There was, he pointed out, some concern that the industry's growth might cause "some risk of instability". His speech was preceded by the announcement in the budget speech of tax changes to curtail car leasing—the fastest growing area of leasing.

accounting from these ad hoc methods. To the extent that this will allow them to change the capital allowances system, they will also be able to slow down the undesirable economic effect—in terms of competition theory—of profitable companies passing on part of their gain to less profitable ones.

The essence of leasing is a division between the ownership and the use of assets ranging from plant and equipment to ships, and aircraft. The providers of finance for the purchase of leased assets—the lessors—have legal title to the goods. This gives them the right to all the capital allowances available under the UK tax system. Since 1972, this has meant the right to claim tax at 100 per cent of the cost of assets in the year of their purchase.

Inexperienced

Any financial sector that experiences rapid growth runs a risk of instability as inexperienced people enter and realistic operating limits become overstretched. The experience of the fringe banking crisis, based on the short-lived early 1970s property boom, has brought an awareness of the potential dangers inherent in the rapid leasing expansion. This early concern in the case of leasing may well prevent any major problems arising.

either through a lessee going bankrupt or an asset being destroyed, where the lessor's contract proves defective, there could be serious loss of confidence. This could result in either lessors or lessees hurrying out of the market, and consequent market imbalance. Any such shock could bring vast tax bills home to roost.

The Governor underlined this aspect when he talked about the "risk of ignoring that the deferred tax liabilities of the lessor may become payable, for in fact all leasing does from an impracticable to maintain the level of new leasing."

To some extent leasing has been over-sold. There is evidence that some people—particularly the newer entrants—regard leasing as a means of avoiding—rather than merely postponing—the payment of tax. In fact all leasing does from the lessor's point of view is to allow a company to borrow money from the Inland Revenue on somebody else's behalf and in the process take a commission—which is already shrinking fast as competition grows.

Each of the Big Four has adopted vastly different policies in providing for deferred leasing tax liabilities. The protests of the manage-

Letters to the Editor

The key to inflation

From Mr. C. Smedley. Sir, Mr. Harris (London, July 5) discusses monetary reform, ranging from the strict definition of money advocated by the Greater London Young Conservatives through to a broader definition including such financial instruments as Treasury Bills, local authority deposits and even short gilts. He goes on to say that "all these have a message for policy". Exactly what the aim of that policy is, seems to have been buried in the technicalities of implementation and definition.

Is the aim to halt inflation, control inflation at a "manageable" level or to control interest rates? Does the control of interest rates have a major role to play in the control of inflation? It seems there is a difference between the control of inflation, which I believe can be implemented through control of the fiduciary issue, and the control of interest rates which is merely another way of saying the control of the price of money in the credit market.

If we are to debate monetary reform, let us start from the beginning "not from some accepted" position laid down by now orthodox and discredited economic dogma of the recent past. With regard to inflation, it is debatable whether it is of benefit to the economy to have other controls than those of natural banking prudence based on cash holdings. Surely the weakness of the "broader" definitions is that they can never encompass the whole credit system, given the vast number of loans made and credit given by commercial organisations ranging from huge industrial conglomerates through smaller commercial enterprises down to "tick" at the local pub. Is Lombard seriously suggesting that "a number of credit series" will prove anything other than that our economic system utilises money efficiently and effectively through credit?

The Post Office and competition

From the Chairman, Post Office Users' National Council. Sir, In its recent report on the Post Office proposals to increase postal charges the Post Office Users' National Council made severe criticisms of the quality of the postal service. Subsequent events have lent emphasis to these criticisms although it must be stressed that they were not directed at short-term deficiencies. In the kind of circumstances that have recently prevailed it is natural that there are those who would want to hit back at a monopoly which has let the customer down. Suggestions for an end to that monopoly are only to be expected and Sir Keith Joseph has quite rightly called for reports on "possible modifications." As your leader (July 3) suggests, some good may come of this although a viable alternative to the present arrangements is unlikely. POUDNC does not believe the

monopoly should be broken. Post Office customers are entitled to a uniform quality of mail service wherever they happen to live and conduct their business. Only the Post Office has the resources capable of offering such a service. While it is an understatement to say that those resources are not being used to maximum advantage, they nevertheless seem little short in allowing profitable parts of the business to be taken over by fragmented private operators leaving behind an unappealing rump for the state to maintain. This could in no way be made to work economically, and its shortcomings would be inflicted predominantly upon those least able to impose any form of sanction—the individual rural dwellers.

The Council would not wish to pre-judge the issue on all aspects of the postal service; after all parcels has been brought back from the grave by effective marketing in a competitive environment. But so far as the mainstream of postal services is concerned we believe the monopoly must be maintained. The present difficulties with the mail have been exacerbated by the loathsome letter-bomb incidents in Birmingham. They result from failure of Post Office management and unions to resolve their differences on such matters as traffic measurement, manning levels, weekend working and the employment of casual and part-time staff. This failure must be retrieved, but not at the cost of breaking up the whole machine.

Suggestions have been made for separating Posts and Telecommunications into separate, less cumbersome, businesses. This makes sense—not least because it would introduce a constructive form of competition in which the postal service must fight for its profits against the pressure of a rapidly developing alternative system. John Morgan. Waterloo Bridge House, Waterloo Road, SE1.

Importance of innovators

From Dr. C. von Lottitz. Sir, John Elliott (June 30) highlights the problem that has bedevilled British industry for so long—namely to identify the entrepreneurs and innovators who are aggressively seeking out new opportunities and then matching them up with sources of finance. Failure to do this in the past has led to Britain's dismal record in transforming its many inventions into growth industries. Britain is not short of inventors. It still wins more Nobel prizes per head of population than the United States. But innovations are normally high risk and involve a high degree of experience in assessing the many intangibles which defy numerical analysis: the prospects of success or total failure, for instance, often depending on just the one entrepreneur. The investor should be equipped to act as an entrepreneurial partner rather than regard the investee company as yet another asset in his portfolio. In most cases the truly small companies usually require management assistance in some area in addition to finance. They are, as the report from the Massachusetts Institute of Technology states: "Often the most

Miles per gallon

From Miss Ann Summers-Glass. Sir, I would suggest to Miss Sinclair (July 4) that in theory a small car may be more efficient than a large motor-cycle, but in real life, e.g., the North Circular Road or Holborn in the rush hour, the vast majority of cars are 1800 cc or above, containing only the driver. Taxicabs, too, seem to be constantly cruising, either empty or containing one or other members of the "trips made by taxis are perfectly adequately covered by public transport, which in turn would be more efficient if only the roads were not full of cars and taxi cabs! Although I agree in principle with her final paragraph I cannot believe that all those cars which one sees in the rush hour are company-owned and maintained. Ann O. Summers-Glass, 77, Queens Crescent, NW5.

The price at the pumps

From Mr. F. Odell. Sir, Would the oil companies please have the courage to justify the reason for increasing prices within 48 hours from the announcement by the Organisation of Petroleum Exporting Countries that oil prices will be raised. It is reported that this country holds at the moment several months' stock of oil and petrol, and to charge higher prices on existing stocks, which were purchased at lower prices, is profiteering of the worst kind which most, if not all, other commercial undertakings would not dare to do. It is astonishing that the Government appears to condone the premature action of the oil monopolies in this country. A year or two ago higher oil prices were levied whenever the value of the pound sterling weakened against the U.S. dollar for the past six months or so. The pound sterling has strengthened by about 15 per cent, but no oil company has passed on the resulting saving in lower prices or at least minimised the higher basic costs charged by OPEC. Oil companies, how about giving the full facts and reasons to the public at the same speed at which price increases are put into effect? F. W. Odell, 43-45, Broad Street, Teddington, Middlesex.

Self-help for shipbuilding

From the Managing Director Merchant Inventors International. Sir, Mr. Francey (July 5)

expresses dismay regarding "the almost indecent haste with which the Government, which many of us believed would put new life into our industries, has announced a commitment to further contractions in the UK shipbuilding industry."

The implication seems to be that UK industry should be "spoon-fed" from the cradle to the grave (like its citizens) even though Mr. Francey concedes that "there are men in the management side of shipbuilding who could advise of ways and means whereby this important industry could not only be retained but made to expand."

Deserving dogs

From Mr. K. Donovan. Sir, Alan Pike's interesting account (July 5) of the "Battle of the white-collar unions" prompts some thoughts about the longer-term interests of their members and how such unions can really promote them. It would appear that supervisory and management training for professional staffs has failed so far to provide a realistic basis for understanding what determines real earning power. "The rate for the job" is a fair-sounding phrase in itself because it implies that the "correct" recognition of differences in qualifications, conditions and responsibilities and other components of job evaluation schemes. But what does it say about differences between earnings of individuals who do their jobs well and those who perform badly? And how does it reflect a company's "ability to pay"? And how does it relate these ideas to the essential necessity for containing supplies of basic national needs like food, shelter, defence or energy? The present postures of indignation about pay adopted throughout our country—from MPs and senior civil servants down—lead to a condition of rapidly shifting differentials and the continuous production of new "injustices" the correction of which can only accelerate inflation. We are like the dog in one of Aesop's fables who dropped his nice piece of meat from the bridge to grab the even nicer piece which he thought he saw in the stream in the mouth of the similar but less-deserving dog. What then should the policies of such unions be—in the longer-term interests not merely of their members but also of our country? K. K. Donovan, Warden's House, Horsley Towers, East Horsley, Leatherhead, Surrey.

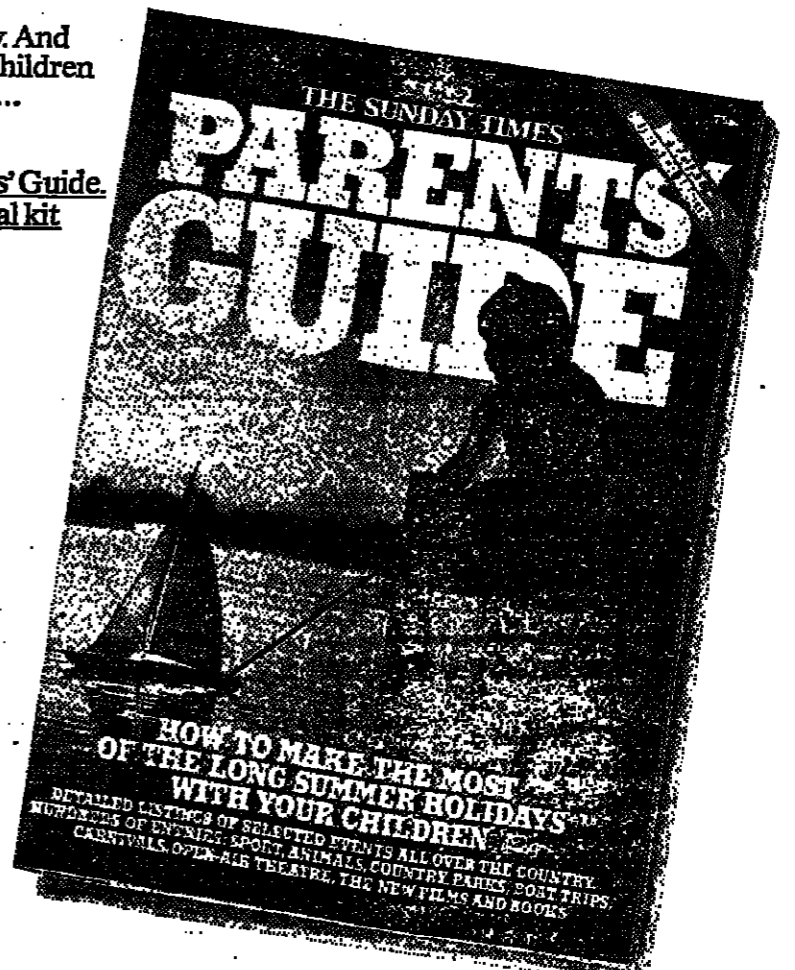
Today's Events

- UK Transport and General Workers conference continues, Scarborough.
- Engineering workers pay talks resume.
- Chrysler Stoke engine factory workers strike over pay claim.
- "Times" chapels discuss peace formula, then meet management.
- Mr. Mark Carlisle, Education Secretary, and Sir David McNeil, Metropolitan Police Commissioner, speak at Department of Health conference on immediate treatment, Sheffield.
- English Tourist Board publishes annual report.
- International conference on noise and vibration of engines and transmissions opens at Cranfield Institute of Technology (until July 11).
- Sir Kenneth Cork, Lord Mayor of London, attends Company of Chartered Accountants dinner, Mansion House.
- Overseas: Mr. John Nott, Trade Secretary, visits European Commission to discuss anti-dumping controls, Brussels.
- Bishop Abel Muzorewa, Zimbabwe-Rhodesia Prime Minister, visits U.S.
- Mr. Menachem Begin, Israeli Prime Minister, visits Egypt.
- Central bank governors meet in Basle, final day.
- PARLIAMENTARY BUSINESS
- House of Commons: Finance Bill, completion of committee stage. Motion on Customs Duty (Personal Reliefs) Amendment Order.
- House of Lords: Government debate on Rhodesia.
- OFFICIAL STATISTICS
- Central Government transactions, including borrowing requirement (June). UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-June). London clearing banks' monthly statement (mid-June). Provisional figures of vehicle production.
- COMPANY RESULTS
- See Company News on Page 26.
- COMPANY MEETINGS
- Campbell and Isherwood, Pen-pole Works, Hawthorne Rd, Bootle, Merseyside, 11. Daily Mail and General Trust, Carmelite House, EC, 12. First Castle Securities, Castle Chambers, 48 Castle Street, Liverpool, 11.45. Land Securities Investment Trust, Devonshire House, Piccadilly, W, 12. Westpool Investments, 120 Cheapside, EC, 3.

How long is it since you've enjoyed a school holiday?

Remember the school holidays? Terrific for kids and a headache for you. So if the prospect of having them under your feet for six weeks sends you charging to the medicine cabinet for an aspirin, head for your newsgiant instead. For The Sunday Times Parents' Guide. Wild life safaris, outdoor theatre, museums, films, canal trips, air shows, even a floating bookshop... The Sunday Times Parents' Guide is packed with a host of holiday ideas. Each one designed to keep the youngest child to the most mature teenager out of mischief. Pick up a copy now. And make sure you and your children enjoy the school holidays... for a change.

The Sunday Times Parents' Guide. The school holiday survival kit for grown-ups.



May and Hassell makes recovery to £924,000

A RECOVERY in pre-tax profits from a depressed £321,000 to £924,000 is reported by May and Hassell...

In December, when reporting first-half profits little changed at £343,000 (£336,000), the directors said the second six months had begun well and they expected the full year figure to show a satisfactory advance...

INDEX TO COMPANY HIGHLIGHTS table with columns: Company, Page Col., Company, Page Col.

There was a tax credit for the year of £778,000 (£192,000 charge), including a write back of £559,000 of the provision made for stock appreciation relief available on the associate loss...

Trading loss cut at Graig

THE TRADING loss of Graig Shipping Co. was cut from £553,861 to £231,514 in the year to March 31, 1979...

After these figures, there was a net profit of £119,938, compared with a £134,000 loss. There was a tax credit for the year of £778,000 (£192,000 charge)...

must be judged as a cautiously optimistic gesture. Not that its 1978-79 results are very impressive. Net profit for the year is entirely due to the sale of the "Graiglion"...

Wellman down at £1.03m despite higher turnover

TURNOVER OF the Wellman Engineering Corporation rose from £17.88m to £22.2m in the year ended March 31, 1979...

DIVIDENDS ANNOUNCED table with columns: Company, Current payment, Date, Correc. Total, Total

When reporting lower profits of £338,970 against £349,475, at mid-year, the directors said the year's outcome was uncertain...

last year, and was closed down. Secondly, the move of the Wellman Bibby Co. was completed, but the costs were substantially higher than estimated...

Whitcroft placed for growth

Opportunities exist for the generation of future growth of Whitcroft states Mr. John Tavara, the chairman, in his annual report...

withdrawing from areas where it does not see a long-term future within the group and two subsidiaries—in leather and civil engineering—have been sold.

Optimism at Wheway Watson

FURTHER PROGRESS is forecast for Wheway Watson Holdings in the current year. It is anticipated that the major contribution to profit will come in the second half, says Mr. W. Gibson Biggart, the chairman...

amounted to £297,000 (£213,000) of which £93,000 (£208,000) had not been contracted. A professional valuation of freehold properties at March 31 produced a surplus of £590,000 which has been added to reserves.

Carclo profit falls in second six months

FOLLOWING a little changed midway result, a downturn from £349,200 to £258,000 in the second half left taxable profits of Carclo Engineering Group...

(£435,000) and an extraordinary credit of £81,000 this time. Earnings per 25p share are given ahead by 3.5p to 16.8p and a net final dividend of 3.5046p raises the total payment from 2.996p to 5.2p.

MEPC manages to sell Munich site

MEPC is on the point of selling its troublesome Bahnof site in Munich, Germany, which it acquired in 1973 at the height of the property boom but never developed...

provisions are anything but more than adequate. MEPC has now recovered from the serious difficulties which followed the collapse of the UK property market in 1973/74 and at the end of last month announced a 42 per cent increase in first half pre-tax profits to £8.3m.

Warner Holidays rises by £0.2m

AS FORECAST at mid-year, Warner Holidays reports improved profits for the year ended January 31, 1979. On gross revenue of £3,885,574 compared with £3,553,040, taxable surplus moved ahead by £200,882 to a record £817,992, with £354,000 against £301,000 coming in the first half.

trends in the movement of the main currencies in which the group operates, continue throughout the year. Tax charge for 1978 was reduced at £9.99m (£10.36m) and after ordinary dividends, absorbing £0.58m (£0.44m), the retained surplus emerged up from £16.38m to £20.74m.

Rothschild Investment Trust Limited advertisement with financial data and company information.

J. Swire ahead but gives 1979 warning

Including an exceptional credit much higher at £1.45m against £43,000, profits before tax of John Swire and Sons improved from £27.64m to £32.01m for 1978. At mid-year, the surplus was up \$0.8m at £14.5m.

However, the directors warn that the underlying profit levels in 1979 are not likely to exceed those achieved in 1978 and in some cases could be lower.

Creditors of Court Line to pay over 10p in pound

Creditors of Court Line, the collapsed holiday group, are likely to get more than 10p in the pound when all assets are finally realised, liquidators said yesterday.

realised but the Halycon Days hotel in St. Lucia, the biggest holiday resort in the Eastern Caribbean, is now under offer.

Anderson Strathclyde set for Australian thrust

Anderson Strathclyde has acquired a small company in New South Wales as a base for the group's increased effort in this expanding coal mining area.

he over nine miles long, Mr. Thorpe reports. Taxable profit for the year to March 31, 1979, was marginally ahead to £4,08m (£3,97m).

Fairbairn Lawson

The directors of Fairbairn Lawson says that in view of the breakdown in accounting controls at Greenbat, a wholly-owned subsidiary, they are still not in a position to assess fully the trading and financial position of Greenbat.

the outcome of a further independent investigation into the current financial position of Greenbat, and its impact on the company is still awaited. Until the outcome of all investigations is known, the release of the 1978 annual accounts will be further delayed.

MK Electric poised for expansion

In his annual review to shareholders, Mr. David Robertson, chairman of MK Electric Holdings, the electrical accessories group, reports that the current year has started well for all the group's main operating subsidiaries.

The principal subsidiary has been running at full production during April and May and demand for its products seems to be continuing strongly...

Marler Ests. income at £24,638

Income of Marler Esters slumped from £28,245 to £24,638 in the year to March 25, 1979. Before national tax of £10,500, against £13,680.

Net income came through at £21,468 (£27,174) after tax and minority losses of £7,730 (£12,609). There was a net attributable surplus of £2,488, compared with a £24,695 deficit after £1,695 (£8,938) additive development expenditure and sundry capital costs.

East Midland Allied Press Limited advertisement with headline 'Another Record Year' and financial highlights.

Handwritten Arabic text in a box.

How The Morgan Bank works for other banks, around the world



Three of the Morgan officers who serve international banks and financial institutions are shown in Zurich. From left, Michael Fisher, Zurich; Frederick Tetzeli, head of the group in New York; Charles Hatfield, New York.

Morgan Guaranty has long been known as the premier corporate bank, serving most of the world's biggest companies. We are also a leader in serving the needs of financial institutions around the world.

Besides the traditional services — such as clearing, safekeeping of securities, foreign exchange — we meet the special needs of banks, central banks, and government financial agencies with imagination and innovation. Some recent examples:

- Helping a French private bank get long-dated forward dollars for a Venezuelan government agency buying equipment from a group of the French bank's clients.

- Identifying real estate investment opportunities in the U.S. for a major German bank.

- Offering the New York branches of several European banks participations in a term loan to a U.S. company.

- Preparing a financial analysis of a U.S. company for a Swiss regional bank to furnish to its client.

- Tailoring an aircraft leasing proposal involving a Belgian bank.

- Creating four alternative ways for an Italian government agency to finance increased exports of automobiles.

A special group of officers, in our New York headquarters and our overseas offices, coordinate these services. All have served in Morgan's offices abroad. They know banking practice in the countries to which they are assigned.

Because they understand banking in your

country, and are in close touch with our specialists in every field, these officers are able to put Morgan's skills and resources to work for your institution in the most effective way. To learn more about how they can help you, contact Morgan's London office or write to Frederick E. Tetzeli, Vice President, at 23 Wall Street, New York, N.Y. 10015.

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The Morgan Bank

UK NEWS

Europe video recorder sales may double

BY MAX WILKINSON

THE EUROPEAN market for more than 70 per cent of all video tape recorders is expected to double this year to 450,000 units compared with 225,000 units in 1978, says Macintosh.

Wilson 'fails to tackle taxes'

FINANCIAL TIMES REPORTER

THE WILSON COMMITTEE on financial institutions fails to tackle the British tax system — the single most important financial constraint on small companies — according to the British Institute of Management.

Manx Radio vote may be close

By Our Own Correspondent

SHOULD THE Manx Government retain control of Manx Radio, the Isle of Man's commercial radio station, or should it be operated by a commercial contractor? That is the question to be decided by members of Tynwald when they meet today.

Before them will be a proposal by the Executive Council which would instruct the Isle of Man Broadcasting Commission to seek tenders from operators. The franchise granted would have to be approved by Tynwald.

At the May Tynwald sitting directions were given to the broadcasting commission to contract with Radio Manx Limited, a Government-owned company, to provide the programmes. It was also agreed that directors for Radio Manx should be Tynwald-approved nominees, and that any losses incurred should be met from public funds.

MEETING NEW DEMANDS IN INTERNATIONAL TRADE

The increasingly rapid internationalization of ASEA Group operations and the emergence of the developing countries as the new driving force in the development of international commerce are two features simply reflected in ASEA's order bookings during 1978.

Parallel with its expanding operations in the "third world," ASEA is continuing to strengthen its position in such highly industrialized markets as the U.S.

Of the total orders booked last year, 56 percent came from customers abroad, with approximately half of the foreign orders coming from the developing countries.

An important trend in these countries is the growing demand for local production rather than for an exchange of goods in the traditional sense. The transfer of technical know-how, modified to meet local requirements, is playing a central role. It is primarily in these countries that ASRA has established new companies in recent years.

The East European controlled-economy countries comprise another attractive development market for the Group. Trade with these countries in recent years has been characterized by rising demands for reciprocal purchases. A new department has been established within the ASEA Group to coordinate this type of highly specialized trading and representative offices have been established in Poland, Rumania, the Soviet Union, Czechoslovakia and the G.D.R. Several more are under negotiation.

Often characterized by new and complex demands, these new growth markets are an essential part of ASEA's internationalization program. They constitute a vital prerequisite in maintaining the competitiveness of the enterprise and in preserving the free flow of international trade that alone assures industry and consumers a wide choice of energy systems and equipment.

Condensed Data (Sterling amounts in millions except "per share.") Table with columns for 1978 and 1977, rows for Sales, Orders, Operating earnings, etc.

For further details about ASEA Group operations in both industrialized and developing countries, write today for a copy of our Annual Report.

ASEA

Group Office: Stockholm, Sweden In the United Kingdom ASEA LIMITED Villiers House 41 Strand, London WC2N 5JX

SYSTEMS AND PRODUCTS FOR POWER, TRANSPORTATION, MINING, INDUSTRIAL PRODUCTION, MATERIALS HANDLING AND PROCESS CONTROL

CONTRACTS

New Crown Courts for Leeds

IN LEEDS a new Crown Court complex is being built by HIGGS AND HILL NORTHERN for the Property Services Agency under a £7.5m contract.

Up to 6 metres deep foundations are necessary in places, and the contractors are required to pour concrete at the rate of 250 cubic metres each week to complete on time.

installation. The system will be used to process all in-house, on-line transaction processing, and to provide a data entry, information retrieval service, together with batch processing, which provides a customer and management accounting service to the banks.

A contract worth about £15m has been awarded to the Bradford-based major products division of N. G. BAILEY AND CO. for the instrumentation installation at BP's oil reception centre at Sullom Voe in the Shetland Islands.

Water pollution control mechanical and electrical plant worth about £1.5m is being supplied to the Yorkshire Water Authority by WILLIAM E. FARRER, a member of the Moe Engineering Group. The contract is part of a scheme to modernise and refurbish the biological filters at the Authority's western division water pollution control works at Esholt, which serves Bradford and the surrounding area. Work will take 2 1/2 years to complete.

The Ministry of Defence (Army) has ordered 42 BAULAMATIC on/off highway dump trucks, worth over £1m.

MEMOREX disc drives valued at over £500,000 have been ordered by Comshare. Multiple strings of Memorex 3675 200 megabyte drives will be linked to Comshare's Sigma 9 computer systems via a special interface designed and built by Comshare. The interface allows IBM compatible peripherals to be attached to Sigma 9 processors.

An order worth about £500,000 for machinery to manufacture xenon lamps for the automobile industry has been received from North America by ALFRED BADER, a subsidiary of Forward Technology Industries.

COVENTRY CLIMAX (a BE company) has orders worth £262,000 for 25 Tough Terrain fork lift trucks, from agricultural machinery dealers.

LAWRENCE SCOT AND ELECTRO MOTORS, Norwich, has won a £200,000 order for electric motors for the Danish North Sea oil platform, Gormfield.

WICKERS FLUID POWER, the Swindon-based hydraulics division of Wickers, has secured orders for hydraulic power units worth over £100,000 from four UK machine tool manufacturers.

Catering and associated facilities worth £750,000 are being installed on the semi-submersible Treasure Finder by OFFSHORE CATERING SERVICES for Shell (UK) Exploration and Production. The vessel will be used as central accommodation for 400 men on Brent Field platforms.

COMPUTER MACHINERY COMPANY is supplying a 12-terminal Reality Royale mini-computer/management information system, worth £121,000 to ICI's petrochemical division, Wilton, Teesside.

Orkney mining protest for MPs

A CAMPAIGN aimed at banning uranium mining in the Orkney Islands will reach Westminster today, when a deputation will lobby MPs to make them aware of the "overwhelming objection" among islanders to the mining proposals.

The Orkney Heritage Society has organised an 8,000-strong petition backing the Islands council's policy banning uranium mining.

COMPANY NOTICES

KINGDOM OF DENMARK

7 1/2% 1972/1987 FF 100,000,000 Bonds

Notice is hereby given to Bondholders of the above Loan that the amount redeemable on September 1, 1979 i.e. FF 6,000,000 was bought in the market.

Amount outstanding: FF 78,000,000

The Fiscal Agent KREDIETBANK S.A. Luxembourg

Luxembourg, July 10, 1979

Notice to the Holders of Bonds of the issue

9 1/2% - 1976/86 of U.S.\$23,000,000 made by the

EUROPEAN COAL AND STEEL COMMUNITY The Commission of the European Communities announces that the annual instalment of bonds amounting to U.S.\$2,875,000 has been purchased for redemption on August 2, 1979.

Amount outstanding on and after August 2, 1979: U.S.\$20,125,000.

ROUSSEL - UCLAF

7% 1967/1979 Loan of FF 60,080,000

Bondholders of the above loan are advised that on June 6, 1979, the shareholders represented at the Extraordinary General Meeting of Rousssel - Uclaf unanimously adopted the resolutions pertaining to:



THE AFRIKANDER LEASE LIMITED (Incorporated in the Republic of South Africa)

CHANGE IN FINANCIAL YEAR END In view of the agreement with Vial South Africa and Mining with the view of the Republic of South Africa to have a new year over which Afrikander Lease holds its financial year, the year ended by members on April 28 1979, the year ended June 30 to December 31 to coincide with the year end of Vial.

BARCLAYS BANK LIMITED NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Bank Limited will meet on Thursday, 25th July 1979 at 10.00 a.m. at the Bank's Headquarters, 125, Abchurch Lane, London, E.C.4.

NOTICE OF MEETING TIME ASSURANCE SOCIETY Registered in England at Queens Road, Chichester, Greater Manchester. 54, Lombard Street, London, E.C.4. 10th July, 1979.

A SPECIAL GENERAL MEETING of the above Society will be held at the Registered Office at 10.00 a.m. on Wednesday, 25th July, 1979.

THE COMMERCIAL BANK OF THE NEAR EAST LIMITED Holders of Share Warrants to Bear 2 1/2% of the dividend for 1978 of 27 1/2p are invited to attend the meeting on July 25th, 1979, at the Bank's Registered Office at 10, Old Broad Street, London, E.C.2. 4A2.

TRAVEL ISLAND OF ISLAY - The MacRae Hotel offers a 12 holiday flats each with 12 beds, en-suite, superb trout fishing, golfing or just a peaceful beach. The hotel is a superb holiday home. Bookings should be made to the MacRae Hotel, 107-112, Leadenhall Street, London, E.C.3A 4AE.

NIIPPON MEAT PACKERS, INC. (CDRs)

One of the Custodians for Nippon Meat Packers, Inc. 114th Bank Ltd., Tokyo has changed its name into The Hyakushu Bank Ltd., effective July 1, 1979.

AMSTERDAM DEPOSITARY COMPANY N.V.

Amsterdam July 2nd, 1979

N.V. AMEV

US\$40,000,000 8 1/2% DEBENTURES DUE 1978-1987 In accordance with the terms and conditions of the above-mentioned debentures, the undersigned, as custodian of the debentures, announces that the company has cancelled the debentures of US\$1,000,000 each so that no drawing of debentures will be made for the redemption instalment on August 1st, 1979 and that the 800 debentures of US\$1,000 each, so surrendered to the trustee, will be cancelled on August 1st, 1979.

AMSTERDAM TRUSTEES' COMPANY S.V. (Incorporated in the Netherlands) Amsterdam (The Netherlands) July 2nd 1979.

ERMITAGE EXTERNAL FUND

20th June 1979 Bid U.S.\$12.79 Offer U.S.\$12.54

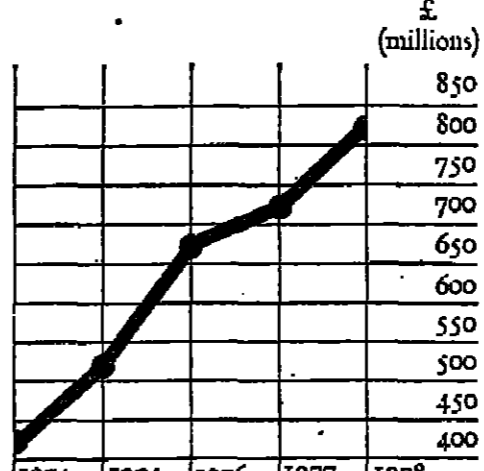


RIUNIONE ADRIATICA DI SICURTA' MILAN - ITALY

HIGHLIGHTS OF ACCOUNTS (£) RAS ONLY, DOMESTIC AND FOREIGN BRANCH OFFICES

Table showing financial highlights for 1978: Premium Income (218,995,303), Investment Income (23,218,763), Claims, Maturities and other Benefits paid (109,082,671), Insurance Reserves, Non-Life Branch (140,774,784), Insurance Reserves, Life Branch (267,779,354), Life Sums assured (2,239,710,480), Share Capital (11,366,798), General Reserves (38,647,929), Profit for the year (1,347,150).

PREMIUM INCOME OF THE RAS GROUP (ITALY AND ABROAD)



SALES OF THE RAS GROUP Premium income breakdown in 1978 (in £)

Table showing sales breakdown for 1978: RAS and L'ASSICURATRICE ITALIANA (400,252,109), Other Italian Group Companies (54,511,750), Foreign Group Companies (555,457,521), Total premiums (810,221,380), RAS Group, Life Business (3,923,838,488), Total Sums assured.

INTERNATIONAL COMPANIES and FINANCE

28 Companies and Markets

NORTH AMERICAN NEWS

ISC charged over foreign payments

BY STEWART FLEMING IN NEW YORK THE Securities and Exchange Commission has charged International Systems and Controls (ISC), which provides services and products for energy and agricultural development...

payments in addition to the originally contracted amount. The SEC says that some of the money went to a member of Iran's former ruling family, Prince Abdolreza, to obtain his influence in getting certain contracts awarded to ISC...

Mr. Herman Frietch, senior vice-president of the Houston-based company, said that the company has not yet seen details of the suit filed against it by the SEC...

Tengelmann to play active role in A & P

By John Wyles in New York THE Great Atlantic and Pacific Tea Company (A & P) has announced its first major development to bear the imprint of its principal owner, West Germany's Tengelmann Group...

EUROBONDS

U.S. domestic interest as dollar continues to rally

BY JOHN EVANS

EURODOLLAR BONDS were little changed in light trading yesterday. The rally of the dollar in exchange markets, however, tended to generate a slightly higher level of buying activity...

General Mills sees record results

MINNEAPOLIS — General Mills expects record sales and earnings in the coming year, with the strongest year-to-year gains occurring in second and third quarters...

Domtar shares sold to Quebec

BY ROBERT GIBBENS IN MONTREAL

CANADA'S largest forest products company, MacMillan Bloedel, is selling its holding of 2.8m shares of Domtar, the major Eastern Canada pulp and paper and building materials group...

The 2.8m shares of Domtar now being sold to the Caisse were bought from Argus Corporation last December, at the time when the Black Brothers were cementing their control of the large Toronto holding company...

The suit also names five former and current officers of the company, including Mr. J. Thomas Kennelly, the former chairman. In its suit, filed in the U.S. district court in Washington DC, the SEC seeks the removal of the current top management...

Canada to make major disposals

BY VICTOR MACKIE IN OTTAWA

THE CANADIAN Government is to sell two Crown corporations—Canadianair and de Havilland Aircraft of Canada—the Treasury Board said.

Tenneco sues over price fixing

BY OUR NEW YORK CORRESPONDENT

TWO offshore oil drilling equipment manufacturers, J. Ray McDermott and Brown and Root, are facing further allegations of price fixing as a result of a suit filed against them by Tenneco.

McDermott and Brown and Root, who dominate the market for offshore drilling rigs, pleaded no contest and were fined \$1m each in December of last year.

In New Orleans also filed the former Chairman of McDermott, Mr. Charles L. Graves, and Mr. Hosea W. Bailey, executive vice-president of the company, a total of \$206,000 on charges in connection with the bid-rigging.

MEDIUM-TERM FINANCING

Ireland plans to borrow \$300m

BY OUR EUROMARKETS STAFF

THE Republic of Ireland is in the process of arranging a \$300m syndicated Eurocurrency credit. The maturity will be 10 years, with a spread of 1 per cent point over interbank rates throughout the life.

credit for the Kingdom of Morocco. Indicated terms are understood to include a maturity of 10 years and a split spread of 1/2 per cent for the first three years rising to 1 per cent for the remainder.

For the nine months, however, Joy expects to report earnings of some \$32.5m to \$33.5m, equal to \$2.61 to \$2.64 a share, up from the previous year's \$2.5m or \$1.94 a share.

Siemens in \$25m takeover

By Our New York Correspondent

SIEMENS, the leading German electronics concern, is spending \$25m to buy control of Microwave Semiconductor Corporation.

Moët-Hennessy

The Annual General Meeting held in Paris on 28th June 1979 under the chairmanship of Mr. Frederic Chandon de Briailles, approved the accounts and balance-sheet for the financial year ending 31st December 1978.

Rothmans Canada outlook

TORONTO—Rothmans of Pall Mall Canada expects better first quarter earnings this year than in the previous year, disclosed Mr. Robert H. Hawkes, following the annual meeting.

second preference shares into common. The company's 1m second preference shares are convertible into common on the basis of 11 preference shares for each common share until October 1979.

Setback for Joy Manufacturing

PITTSBURGH — Joy manufacturing expects a 20 per cent drop in third quarter earnings on a 12 per cent drop in sales, according to Mr. J. W. Wilcock, chairman and chief executive.

share. This compares with \$13.3m or \$1.04 in the 1978 third quarter.

internal manufacturing efficiency problems.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns for U.S. DOLLAR, STRAIGHTS, OTHER STRAIGHTS, NOTES, CONVERTIBLE, and YEN STRAIGHTS. Includes bond names, issued dates, bid/offer prices, and yields.

MEXICO'S CAR INDUSTRY

The waking giants

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICO'S car industry is moving into high gear as the major companies announce expansion plans aimed at greatly boosting exports and penetrating the local market.

market has dropped from 28 per cent to about 20 per cent, but it is still just the market leader, selling 40,194 cars between January and April this year against 31,534 in the same period in 1978.

CREDIT COMMERCIAL DE FRANCE U.S. \$35,000,000 Floating Rate Notes 1977-1983. For the six months 10th July, 1979 to 10th January, 1980 the Notes will carry an interest rate of 11% per annum.

The expectation of substantial growth in Mexico's car industry is attracting the attention of the major world manufacturers, several of whom plan major plant investments in the country.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London EC3V 3PB. Tel: 01-633 6314.

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VOLKSWAGEN'S EXPANSION PLANS

Driving hard into the U.S. market

BY LESLIE COLTIN IN BERLIN

IT IS NO coincidence that Volkswagen is launching its largest ever expansion programme in the midst of world-wide fears over petrol prices and supplies...

ing a second plant in the U.S. which would boost North American investments by another DM 600m. VW executives explain there is no other way to attain VW's goal of capturing 5 per cent of the American car market...

built VW plant. However, 250,000 Golf engines presumably the number of cars that would initially be produced in the U.S.—would be too few for a new American engine plant...

appropriated and DM5.7bn approved by the supervisory Board last week—is not "hard and fast" in all details...

As a result, says Herr Schmuecker VW has hastened plans to spend some DM 1.5bn (\$820m) to expand production at its Pennsylvania plant and to build an engine factory for VW de Mexico...

Volkswagen's thrust for a larger manufacturing presence in North and South America is fuelled by a number of attractive economic arguments. Labour costs, clearly, rank very high in the company's economic analyses...

At the same time VW has been playing its Brazilian card by buying 87 per cent of the Chrysler Corporation do Brasil which Herr Schmuecker notes will give VW the opportunity to establish itself in the "ever more promising" Brazilian truck market...

Meanwhile, VW is juggling itself financially for the years of expansion ahead. The company is raising authorised capital by DM300m to DM1.5bn in the next five years...

Recent reports of an imminent VW take-over of the ailing Chrysler Corporation are dismissed by Herr Schmuecker but this does not mean that the two companies are not talking...

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Meanwhile, VW is juggling itself financially for the years of expansion ahead. The company is raising authorised capital by DM300m to DM1.5bn in the next five years...

More world integration of VW factories is likely, Herr Schmuecker says VW is "seriously considering" build-

ing a second plant in the U.S. which would boost North American investments by another DM 600m. VW executives explain there is no other way to attain VW's goal of capturing 5 per cent of the American car market...

built VW plant. However, 250,000 Golf engines presumably the number of cars that would initially be produced in the U.S.—would be too few for a new American engine plant...

appropriated and DM5.7bn approved by the supervisory Board last week—is not "hard and fast" in all details...

Sacilor to purchase Pompey

By Terry Dodsworth in Paris

THE FIRST STEP in the long-awaited re-organisation of the French special steels industry is expected to be the take-over of Aciéries de Pompey by the state-backed Sacilor...

Siemens sales performance held in check by nuclear problems

BY ROGER BOYES IN OSLO

SIEMENS, the leading West German electrical and electronics group, increased its total turnover by only 2 per cent in the first eight months of the 1978-79 fiscal year...

9 per cent without KWU's restraining influence. A further token of how KWU, whose turnover last year was DM 5.5bn, is plaguing Siemens, comes in the export order figures for the first eight months which were unchanged at DM 5.5bn...

particularly from the oil-producing countries. "It is not," as one Siemens executive stressed, "because of a lack of competitiveness."

Pompey, based in North-west France, alongside most of the Sacilor plants, has been in trouble for some time. Like Usinor and Sacilor, the two big groups recently rescued by the Government, the company is suffering from heavy debts...

KWU, whose results were consolidated into Siemens for the first time last year, has been particularly hit by the Iranian crisis—the future of construction work on Iranian power plants is still far from certain...

The orders outlook is nonetheless healthy. A steady rise in domestic demand and a pick-up in the world electrical market lead Siemens executives to believe that the group will probably maintain last year's turnover level...

Siemens estimates that communications technology will become increasingly important on the world electronics market—and thus for Siemens itself—with its proportion of the market rising from 25 per cent to about 27.5 per cent by 1990.

Because of difficulties in financing its borrowings, estimated to account for over 18 per cent of its EFR 1bn (\$227m) turnover, the company was given the backing of special state development and social funds earlier this year...

Total orders rose during the first eight months of Siemens fiscal year, from October 1 to May 31, from DM 18.3bn to DM 19.7bn (\$10.7bn), representing an 8 per cent increase...

It is clear from the report that the rationalisation measures the group has undertaken during the past three years have succeeded in pushing up earnings...

Siemens estimates that communications technology will become increasingly important on the world electronics market—and thus for Siemens itself—with its proportion of the market rising from 25 per cent to about 27.5 per cent by 1990.

It is likely that the Government will assist a deal with Sacilor by taking on some of the debts in a similar arrangement to the one concluded with the two larger groups...

Kloeckner shows mild optimism

BY GUY HAWTIN IN FRANKFURT

KLOECKNER AND CO, the holding company run as a limited partnership for the Kloeckner steel, fuel and engineering interests, describes its first half performance as "not unhealthy"...

last year is attributed in the report to the fruits of investment in earlier years and the effects of West German corporation tax reform...

to DM 44m. Kloeckner said that total external turnover last year increased from DM14.13bn to DM14.43bn (\$7.85bn)...

Pompey's strength in the special steels sector lies in its connections with the motor industry, still growing in France and enjoying an extremely vigorous period this year...

According to the interim report, sales to the end of May rose by 10 per cent on the comparable period of 1978. Last year the concern's annual turnover rose by 5.6 per cent from DM 7.39bn in 1977 to DM 7.8bn (\$4.24bn)...

It is clear from the report that the rationalisation measures the group has undertaken during the past three years have succeeded in pushing up earnings...

This year, Kloeckner and Co. has been particularly successful in the steel trading and industrial plant business. But there have also been improvements in other sectors...

Sacilor's interest in the deal derives from its weakness in the special steels area. Since the Government reorganisation and the introduction of new management, the company has been moving gradually towards a broader base...

U.S. deal for Delhaize

ATLANTA — Alterman Foods has tentatively agreed to sell its assets and business, with the exception of its real estate, to a U.S. subsidiary of the Belgian company, Delhaize "Le Lion"...

It will give its shareholders a chance to purchase Alterman's real estate for its tax basis book value was \$34.7m, or \$25.43 a share...

Adia Interim expansion

By John Wicks in Zurich

ADIA INTERIM, the Swiss-based temporary-employment bureau, has purchased Aktie 68 with its headquarters in Amsterdam and 28 offices throughout Holland...

Three bond issues totalling FFR 1.2bn have been floated on the French capital market. They include a funding from Credit Lyonnais, one of the "big three" French nationalised banks, which is raising FFR 500m over 12 years...

Alterman said that at the close of its fiscal year ended April 28, its tax basis book value was \$34.7m, or \$25.43 a share...

After Alterman redeems its shares, it will become an investment company investing in tax-free municipal bonds. AP-DJ

The Aktie 68 network will supplement Adia Interim's existing Dutch operations through its subsidiary company Keser.

New venture for Swedish special steelmakers

BY VICTOR KAYETZ IN STOCKHOLM

TWO SWEDISH special steel groups, Uddeholm and Sandvik, have reached final agreement on the formation of a new company, Uddeholm-Strin Steel, with a capital of SKr 50m of which Uddeholm owns 65 per cent and Sandvik the rest...

shifts its resources to the expansive tool steel area. Uddeholm stressed, however, that products from the Munkfors mill "will be sold just as before via Uddeholm's well-developed marketing organisation and in competition with Sandvik."

Staff made redundant by the shutdown of hot strip production at Hagfors are being offered other work in the Uddeholm group. Trade unions have declared this guarantee insufficient.

ment, will continue to manufacture and market tunnel-boring machines in the U.S., with Atlas Copco handling international sales and servicing. In 1978, Jarva had sales of \$10m and Atlas Copco \$1.1bn.

The new company, which begins its operations immediately, is taking over the facilities of Uddeholm's former strip steel division and is headed by its former manager, Mr. Anders Sandin. Its Munkfors cold rolling mill will eventually receive all the hot strip needed as raw material from Sandvik while Uddeholm's steel plant at Hagfors phases out a production of hot strip and joint company with Uddeholm

At Uddeholm's recent annual general meeting, Mr. Gunnar Wessman, the managing director, said formation of the new company was designed to avoid duplication of new investments by Uddeholm and Sandvik.

ATLAS COPCO, the Swedish manufacturer of mining and construction equipment, is to acquire the capital of Jarva Inc. of the U.S., a manufacturer of tunnel-boring machines. Price was not disclosed. The agreement is subject to review by the Federal Trade Commission and certain pre-closing conditions.

THE CAR division of Saab-Scania says strong demand means car output this year should rise to around 85,000 from 72,500 in 1978. First half 1979 sales rose 30 per cent to a record 45,800 with exports advancing 24 per cent to 30,400.

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This announcement appears as a matter of record only.

Marine Transport International Co. Ltd.

Saudi Riyals 35,000,000 Medium Term Finance

Arranged by

The Saudi British Bank Antony Gibbs Holdings Limited

Provided by

Saudi International Bank Saudi Investment Banking Corporation
Bank Al-Jazira J. Henry Schroder Wagg & Co. Limited
The British Bank of the Middle East Antony Gibbs Holdings Limited
The Hongkong and Shanghai Banking Corporation Limited
(The Saudi British Bank)

Agent

The Saudi British Bank



This announcement appears as a matter of record only.

May 1979

REPUBLIC OF ECUADOR US \$50,000,000

Complementary financing with the Inter-American Development Bank Paute Hydroelectric Project Instituto Ecuatoriano de Electrificación (INECEL)

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BANQUE DE LA SOCIÉTÉ FINANCIÈRE EUROPÉENNE - SFE Group - CRÉDIT COMMERCIAL DE FRANCE

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The Mitsui Bank, Limited
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BANQUE DE LA SOCIÉTÉ FINANCIÈRE EUROPÉENNE - SFE Group -



JAPANESE BONDS

An interest rate dilemma

BY RICHARD C. HANSON IN TOKYO

THE JAPANESE Finance Ministry's attitude toward interest rates has raised a dilemma over the Government's funding programme.

Domestic bond dealers are concerned about what the monetary authorities will do in the next two or three weeks over the official discount rate and an anticipated upward revision of national bond coupons.

The Japanese Government faces a heavy programme of national bond issues—but the Finance Ministry is reluctant to attract investors by raising interest rates.

The simple solution would be for the Government to issue bonds at market prices instead of artificially low interest rates.

group had been insisting on a yield of over 8 per cent. Thailand will possibly make the only Samurai bond issue this month.

Home market lifts Koor

BY L. DANIEL IN TEL AVIV

KOOR, the industrial holding company of the Israel Labour Federation—increased its pre-tax profit in 1978 to £14,430m (some \$57m), from £13,750m in 1977.

stream-lining of enterprises by mergers or the selling off of unprofitable lines.

stream-lining of enterprises by mergers or the selling off of unprofitable lines.

Pledge given on Iran debt

TEHRAN—The Governor of the Central Bank of Iran (CBI) Mohammed Ali Mowlavi, has said that the estimated \$1bn in foreign debts of the nationalised banking system will be honoured.

Last May, Sheikh Mowlavi said that the Central Bank would not help foreign creditors to recover loans from one or two Iranian private banks which were in financial difficulties.

The CBI Governor said that the Government is studying the shareholding of foreign banks in the nationalised banking system, and promised that "legitimate rights of foreign investors" would be taken into account when compensation was paid.

Moratorium on Bahrain bank licences

BAHRAIN—Bahrain has decided to stop issuing banking licences until the end of this year when the situation will be reviewed.

Sheikh Ibrahim bin Khalifa, Secretary-General of the Bahrain Monetary Agency al-Khalifa said the moratorium was imposed because the present number of banks, including offshore units, was sufficient for the regional market.

Hutchison in talks with China Provident

HONG KONG—Hutchison Whampoa and China Provident are holding talks which may lead to Hutchison Whampoa making an offer for all the shares of China Provident.

Computer side boosts Hitachi result

BY RICHARD C. HANSON IN TOKYO

HITACHI, the Japanese electronic equipment (including computers and ICs) gained 15 per cent to ¥479bn.

Income per American Depository Share (each ADS representing 40 common shares) rose to ¥1,459 from ¥1,303.

Business in the second half of the year was particularly good with sales gaining 27 per cent from a year earlier to ¥1,306bn and net income 49 per cent to ¥50.3bn.

to introduce local production, as Hitachi's market share there is still small.

Smaller computer orders jumped to 2,260 units from 250 units for the previous year but these are not currently being exported.

There is some hint that the company will seek to expand its overseas production capacity of ICs.

machinery sales rose 18 per cent. Hitachi is increasing the production capacity of video tape recorders to 25,000 units per month.

Exports gained only 5 per cent, and fell as a percentage of overall sales to 19 per cent from 20 per cent.

Consumer product sales were up 7 per cent and industrial

Earnings improvement at SIA

BY GEORGIE LEE IN SINGAPORE

SINGAPORE Airlines (SIA) posted a 40 per cent improvement in net profit to S\$21m (U.S.\$9.7m) for the year ended March 1979.

According to the airline's preliminary statement, total operating profit from both scheduled and non-scheduled services rose 30 per cent to S\$147bn while total operating expenditure expanded at a slightly slower rate of 28 per cent to S\$129bn.

As a result, SIA operating surplus rose by 47.5 per cent to S\$17m.

SIA disclosed that the wide difference between the operating surplus and post-tax profit is accounted largely by accelerated depreciation on its aircraft and airline house-building plus a net financing charge of S\$33m and tax provision of S\$40m.

of 24.3 per cent and 14.4 per cent as yields on these routes fell by 5.3 per cent and 3.3 per cent respectively.

In Europe, traffic grew by 35.8 per cent and capacity by 34.8 per cent. With a marginal improvement in yield of 0.3 per cent, the revenue generated increased by 38.5 per cent.

The airline's overall yield declined by 2.9 per cent from 105.1 Singapore cents per kilometre tonne to 102 Singapore cents due to the reduction in yields on the Australasian and South East Asian routes.

The airline's revenue growth outpaced capacity growth on all routes.

However, with operating expenditure increasing at a slower rate than the increase in capacity, SIA's unit cost fell by 1 per cent from 62.2 Singapore cents per kilometre tonne to 61.5 Singapore cents per kilometre tonne.

Overall load factor improved from 68.1 per cent to 70 per cent despite the slight decline in the passenger load factor from 73.7 per cent to 73.4 per cent.

SIA's capital expenditure during the year increased by S\$274m to S\$702m.

Setron International said that acceptances received so far in response to its takeover offer for Setron, the electronics and electrical goods concern, give it a 60 per cent stake.

Goodricks plans share offer

By R. C. Murthy in Bombay

GOODRICKS GROUP formed by the amalgamation of eight sterling tea companies, will offer to the Indian public equity capital of Rs 6.6m and dilute its foreign stake under the Foreign Exchange Regulation Act.

'Goodricks' tea gardens—there are two in Darjeeling District (Assam), 12 in Jalpaiguri (West Bengal) and three in Darjeeling (West Bengal)—are known for their high unit yield and above average quality.

Demand for quality teas produced by the company is said to be good both in domestic and international markets.

Setron acceptances over 60%

SINGAPORE—Haw Par Brothers International said that acceptances received so far in response to its takeover offer for Setron, the electronics and electrical goods concern, give it a 60 per cent stake.

THIS ANNOUNCEMENT APPEARS AS A MATTER OF RECORD ONLY

ROMANIAN BANK FOR FOREIGN TRADE

US \$1,000,000,000 Exports Credits

towards the financing of a NUCLEAR POWER STATION IN ROMANIA

under the Guarantee of THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA

represented by its Ministry of Finance

MANAGERS

EXPORT DEVELOPMENT CORPORATION BANK OF MONTREAL

SYNDICATE MANAGERS

Bank of Montreal

Banque Canadienne Nationale

Canadian Imperial Bank of Commerce

The Royal Bank of Canada

Toronto Dominion Bank

CO-MANAGERS

Algemene Bank Nederland N.V.

Banque de la Société Financière Européenne

Barclays Canada Limited

Crédit Lyonnais

Bayerische Landesbank Girozentrale

International Energy Bank Limited

The Fuji Bank, Limited

The Sumitomo Bank, Limited

The Sanwa Bank, Limited

The Taiyo Kobe Bank, Limited

PROVIDED BY

Export Development Corporation

Algemene Bank Nederland N.V.

Bank of Montreal

Banque Canadienne Nationale

Barclays Canada Limited

Bayerische Landesbank International S.A.

Canadian Imperial Bank of Commerce

Crédit Lyonnais

The Fuji Bank, Limited

International Energy Bank Limited

The Provincial Bank of Canada

The Royal Bank of Canada

The Sanwa Bank, Limited

Société Financière Européenne

The Sumitomo Bank, Limited

Finance Company N.V.

Toronto Dominion Bank Investments

The Taiyo Kobe Bank, Limited

(U.K.) Limited

Agent for the Banks BANK OF MONTREAL

April 1979

THIS ANNOUNCEMENT APPEARS AS A MATTER OF RECORD ONLY

U.S. \$250,000,000 Medium-Term Loan



BANCO NACIONAL DO DESENVOLVIMENTO ECONÔMICO

MANAGED BY

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May 1979

هكمان الأحملي

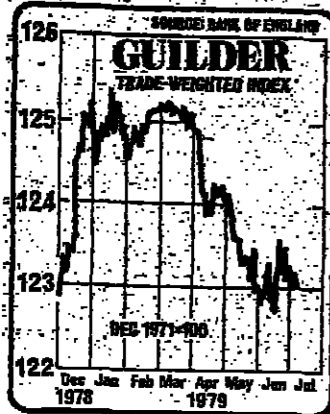
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Companies and Markets

Dollar firmer on oil news

The U.S. dollar improved in late afternoon trading yesterday in response to Saudi Arabia's announcement of its intention to increase substantially its oil production...

against the dollar but quickly fell to \$2.2725 with further demand for the U.S. unit knocking down the rate to \$2.1888. Bank of England intervention was not readily identifiable...



SwFr 1.6366 against SwFr 1.6580 in terms of the Swiss franc. Against the yen it showed hardly any movement at ¥217.40 compared with ¥217.30...

FRANKFURT—There was no intervention by the Bundesbank at yesterday's fixing, when the dollar was fixed at DM 1.8411, higher than Friday's level of DM 1.8316.

Table titled 'EMS EUROPEAN CURRENCY UNIT RATES' showing exchange rates for various European currencies against the ECU. Columns include currency, amount, % change, and divergence.

Table titled 'EXCHANGE CROSS RATES' showing exchange rates for various currencies including Pound Sterling, U.S. Dollar, Deutschmark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canadian Dollar, and Belgian Franc.

Table titled 'EURO-CURRENCY INTEREST RATES' showing interest rates for various currencies and terms (180 days, 3 months, 6 months, 1 year).

INTERNATIONAL MONEY MARKET

Firmer trend continues

Interest rates continued to rise yesterday in Europe, maintaining the recent trend towards higher rates to combat currency unrest in the foreign exchange market.

UK MONEY MARKET

Large assistance

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979). Day to day credit remained in short supply in the London money market yesterday and the authorities gave assistance on a large scale.

Table titled 'LONDON MONEY RATES' showing interest rates for various terms (Overnight, 2 days notice, 7 days notice, 14 days notice, 1 month, 3 months, 6 months, 1 year, 2 years).

THE POUND SPOT AND FORWARD

Table showing pound spot and forward rates for various currencies including U.S., Canada, Denmark, Ireland, Portugal, Spain, Norway, France, Sweden, Japan, Austria, and Switz.

THE DOLLAR SPOT AND FORWARD

Table showing dollar spot and forward rates for various currencies including UK, Canada, Denmark, Ireland, Portugal, Spain, Norway, France, Sweden, Japan, Austria, and Switz.

CURRENCY MOVEMENTS

Table showing currency movements for various currencies including Sterling, U.S. dollar, Canadian dollar, Austrian schilling, Belgian franc, Danish krona, Deutsche mark, Swiss franc, Guilder, French franc, Yen, and Lira.

OTHER MARKETS

Table showing other market rates for various currencies including Argentina, Australia, Brazil, Canada, Denmark, Germany, Hong Kong, India, Italy, Japan, Korea, Malaysia, New Zealand, Singapore, South Africa, and Sri Lanka.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on July 9, 1979. In some cases rates are averages of buying and selling rates except where they are shown to be otherwise.

Large table showing world value of the pound for various countries and currencies, including Afghanistan, Albania, Algeria, Angola, Antigua, Argentina, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Belize, Benin, Bermuda, Bolivia, Botswana, Brazil, Brunei, Bulgaria, Burma, Burundi, Cameroon, Canada, Ceylon, Chile, China, Colombia, Comoros, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Equatorial Guinea, Ethiopia, Falkland Islands, Faroe Islands, Fiji, Finland, France, French Guiana, French Polynesia, Gabon, Gambia, Germany, Ghana, Gibraltar, Gilbert Islands, Greece, Grenada, Guadeloupe, Guam, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Iraq, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kenya, Korea, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libya, Liechtenstein, Luxembourg, Macao, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Monaco, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Netherlands, Netherlands Antilles, New Hebrides, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Reunion, Rhodesia, Romania, Rwanda, St. Helena, St. Kitts, St. Lucia, St. Vincent, St. Pierre, Sao Tome, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South West Africa, Sri Lanka, Sudan, Switzerland, Taiwan, Tanzania, Thailand, Togo, Tonga, Trinidad, Tunisia, Turkey, Turkmenistan, Uganda, Uruguay, U.S.A., U.S.S.R., Venezuela, Vietnam, Virgin Islands, Western Samoa, Yemen, Yugoslavia, Zambia, and Zaire.

*That part of the French community in Africa formerly French West Africa or French Equatorial Africa exports 2.484. Based on gross rates against Russian rouble. **Rate is new based on 2 Barbados £ to the dollar. †Now one official rate. (U) Unified Rate. Applicable on all transactions except countries having a bilateral agreement with Egypt, and are not members of IMF.

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THE SUMITOMO BANK, LIMITED. U.S. \$10,000,000 Negotiable Floating Rate U.S. Dollar Certificates of Deposit Due 5th July 1984. MANAGED BY Sumitomo Finance International, Salomon Brothers International, Orion Bank Limited. AGENT BANK Orion Bank Limited.

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£6,000

accountancy appointments

£9,000

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Monitoring financial performance and improving profitability is vital to the Distribution and Services Division of Bowater-Scott...

Aged between 25 and 30, you should be a recently qualified cost and management/certified accountant with at least 4 years experience in an industrial environment...

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ACCOUNTANTS table listing various roles and salaries across different locations like London, Bristol, and Glasgow.

FINANCIAL ACCOUNTANT C: £6,500 - SOUTH COAST. Euromedical Industries, a subsidiary of Hoechst UK, manufactures a range of high grade medical disposables...

OVERSEAS OPPORTUNITIES. Our Client, a leading international company in Saudi Arabia, is seeking to fill the following positions: AUDIT MANAGER, CAPITAL ASSET CONTROLLER, SENIOR AUDITOR.

CHEMSULT. Right. From the start. You'll find at Chemsult that in our client relationships, we start as we mean to continue: a confident balance between professional application and personal enthusiasm.

Richard Owen Associates. 56 Moorgate London EC2R 6EL Telephone 01-638 3833. D9934 DIVISIONAL CONTROLLER-qualified & hons grad-Surrey £11,000+car. D9996 EDP AUDITOR-Financial Institution-City to £10,000.

£6,000 accountancy appointments £9,000. These advertisements appeared in the Financial Times on 3rd July, 1979. Table listing job titles, salaries, locations, and advertisers.

JOSOLYNE LAYTON-BENNETT & CO. CHARTERED ACCOUNTANTS. Metropolitan House, 39-41 Tottenham Court Road, London W1P 0JL. Associated offices throughout the UK and the world.

ASSISTANT TO GROUP FINANCE MANAGER. London W.1. c. £8,000 p.a. + benefits. A well-known quoted manufacturing group with diverse subsidiaries throughout the U.K. and substantial overseas interests is seeking a Qualified Accountant...

GENERAL APPOINTMENTS. GENERAL MANAGER FOOD DISTRIBUTION COMPANY SAUDI ARABIA. OUR CLIENTS are a major Saudi Arabian Group with international interests who are diversifying into the food industry.

UMIST DEPARTMENT OF MANAGEMENT SCIENCES LECTURESHIP IN FINANCE/ACCOUNTING. Applications are invited for the above post in the Department of Management Sciences which is one of the largest and longest established centres of Management Education in the country.

SENIOR ACCOUNTANTS SAUDI ARABIA. Sal. £10,000+ 25-36 years. Ref. No. 11291. Our clients, International Brokers, have vacancies for Senior Accountants in various locations throughout Saudi Arabia.

£6,000-£9,000 ACCOUNTANCY APPOINTMENTS appear every Tuesday. For further details contact: SALLY STANLEY 01-248 8000 Ext. 7177

Assistant Financial Accountant Thorn Television Rentals Limited Wiltshire c. £6,000. This appointment will give a wide range of experience in commerce to a person who is capable of assuming increasing responsibilities.

MSMS Accountants - Up to £8,500. To join an established and expansion-minded group of companies with a broadly based range of industrial products. Turnover is in excess of £20 million.

QUALIFIED ACCOUNTANT. Excellent Salary plus Car. We are one of the largest independent Hardwood Importers in the U.K. and to cope with continued expansion we require a qualified Accountant, ACA, ACMA or equivalent to take control of our small but efficient accounts department.

A memo to school-leavers ARE YOU KEEN TO BE A JOURNALIST? Are you interested in learning the craft of news journalism? Trainees must be ready to learn how to interview people about community affairs and to cover courts, councils and public events of all kinds.

APPOINTMENTS WANTED. CHARTERED ACCOUNTANT (FCA), 30, multi-lingual, diversified experience, seeks short term assignment. Phone 01-368 7826.

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Energy hopes lift Dow 7 more in heavy trade

INVESTMENT DOLLAR PREMIUM Effective 12.2000 7% (6%) CONTINUING TO reflect hopes that President Carter will take some strong measures to ease the energy problem and help the economy, Wall St further advanced in heavy dealings yesterday. The Dow Jones Industrial Average, after moving ahead 10.4 last Friday, closed 6.83 higher at 852.99. The NYSE All Common Index climbed 50 cents more to a new peak for the year at 559.21, while gains outpaced declining issues by 901 to 504. Turnover further increased to 43.65m shares from last Friday's 42.5m.

As in recent sessions, energy shares were at the forefront of the advance. Partners in Arabian American Oil rose to \$51, active Texas to \$28, Mobil 1 to \$41 and Standard Oil California 1 to \$32. Among the active, Occidental Petroleum, which has a major position in shale projects, advanced 11 to \$25.25. Combustion Engineering, seen as a way of participating in synthetic fuel projects, advanced 2 1/2 to \$52, while active R. L. Barks, an oil and gas exploration company, put on 1 to \$71. Charter, which has settled disputes with Iran that had jeopardized its oil supplies to its Bahamian refinery, jumped 3 1/2 to \$36.1, Norfolk and Western rose 1 1/2 to \$28 1/2 and Superior Oil 3 1/2 to \$42.2.

Utilities improved 1.22 to 334.6. Oil shares recovered losses in recent sessions as Canadian Superior rose 4 1/2 to CS 139.1. Tokyo Stocks again closed on an earlier note after moderate activity on interest rate worries. The Nikkei Dow Jones Average receded 20.19 more to 6,258.71 and the Tokyo SE index 1.50 to 445.05. Volume amounted to 270m shares, against 200m in Saturday's half-day session and a total last Friday of 350m. Brokers said prices were generally firmer in the morning, but they began to decline in the afternoon as reports that West Germany is likely to raise its Official Discount Rate circulated in the market and affected its mood. Uncertain export prospects left Light Electrical issues mainly lower, with Sony declining 2 1/2 to Y1,490 and Pioneer Electronic the same amount to Y1,920. In Vehicles sector, Honda retreated 1 1/2 to Y2,700. Steels, Shipbuilding and Heavy Electricals were also weak. Hitachi lost 9 1/2 to Y2,320, Mitsubishi Engineering and Shipbuilding 4 1/2 to Y1,700 and Sumitomo Metal Y3 to Y1,250. Energy-related shares came back from a firm start with Arabian Oil closing Y210 down at Y4,350 and Teikoku Oil Y5 off at Y370.

NEW YORK Stock market listing table with columns for Stock, July 9, July 8, and July 7. Includes various energy and industrial stocks.

Stock market listing table with columns for Stock, July 9, July 8, and July 7. Includes various energy and industrial stocks.

Paris After losing ground at the outset, shares picked up to close firmer for choice on balance, boosted by a subsequent recovery in oil shares. The Bourse Industrielle index was finally a net 0.4 firmer at 85.1. Brokers commented that the latter firm performance of the market was especially remarkable in view of the announced but rising French banks' Minimum Lending Rates to 9.45 per cent from 9.15 per cent in consequence, the Call Money rate rose to 9 per cent - its highest level in almost a year - from last Friday's 8.75 per cent. Outstanding oil shares were the star of the session. Aviation, which rose 1 1/2 per cent during the session. Brokers cited reports that Iraq and Colombia are about to order Dassault-built Mirage fighters.

GERMANY Price + or - Div. Yld. % table listing various German stocks and their performance.

AMSTERDAM Price + or - Div. Yld. % table listing various Dutch stocks and their performance.

Indices NEW YORK - DOW JONES table showing index values for July 9, 8, 7, 6, 5, 4, 3, 2, 1, and 1979 High/Low.

STANDARD AND POORS table showing index values for July 9, 8, 7, 6, 5, 4, 3, 2, 1, and 1979 High/Low.

MONDAY'S ACTIVE STOCKS table listing active stocks and their prices.

STOCKS table listing various international stocks and their prices.

PARIS table listing various French stocks and their prices.

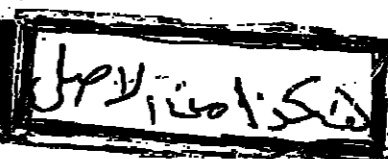
EUROPEAN OPTIONS EXCHANGE table listing various European options and their prices.

BASE LENDING RATES table listing various bank lending rates.

VIENNA table listing various Viennese stocks and their prices.

BRASIL table listing various Brazilian stocks and their prices.





ECC urged to grow more trees

By Our Commodities Staff

THE EUROPEAN Community, the world's main timber importer, should finance a major tree-planting programme as soon as possible...

Even though EEC members have 31m hectares of forests—the same as the grain growing area—they are still poorly off for timber compared with other parts of the world...

Mr. Corrie also contributed to another new booklet with Mr. Jim Scott-Hopkins, leader of the Tory group in the European Parliament...

These would replace the regional, social and agricultural funds which have proved difficult to re-orientate...

Pottery in Europe and Towards a Community Rural Policy, published by the European Conservative Group...

See Lombard Page 14

UK calls for ban on whaling and EEC imports

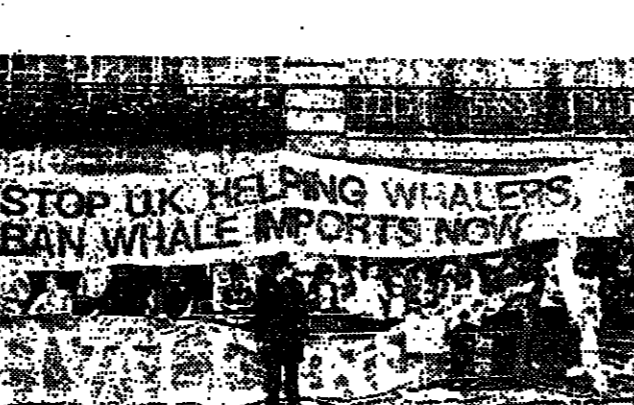
BY OUR OWN CORRESPONDENT

THE BRITISH Government yesterday announced its support for a world-wide ban on commercial whaling and for a Common Market ban on whale product imports...

Mr. Alec Buchanan-Smith, Minister of State for Agriculture, told the opening of the 31st annual meeting of the International Whaling Commission...

Although the British call for a moratorium, cheered some conservationists, there was general distress at the failure to institute a unilateral ban on UK imports of all whale products...

Ms. Joanna Gordon-Clark, speaking on behalf of the Friends of the Earth Organisation, said she was pleased Britain would join the U.S., Australia, Seychelles and others in urging an immediate halt to commercial whaling...



Demonstrators outside the Cafe Royal, London at the opening of the International Whaling Commission meeting

IWC members a letter from President Carter, urging the Commission to adopt an indefinite moratorium...

The American delegation included two Congressmen who had recently helped to pass a Congressional resolution calling for a whaling moratorium...

Conservationists attending the meeting deplored the flag-burning and said there were more effective ways to achieve an end to whaling...

Steady fall in coffee markets

By Our Commodities Staff

WORLD COFFEE prices lost ground steadily on the London market yesterday and the three months position closed £79.50 a tonne down at £1.935.50...

The market fell at the start of trading reflecting the depressed closes in New York on Friday and edging lower in the absence of any fresh influences...

Selling by dealers and producers in the afternoon encouraged the slide and further downward pressure was applied when the New York market opened with fresh falls...

Reports that the areas of high pressure and cold fronts circulating in and around Brazil were unlikely to extend into coffee growing regions encouraged the decline...

World rubber pact likely this week

By BRIJ KHANDARIA IN GENOVA

European Common Market—refuse to go any higher. The system of stock management chosen to keep prices within this corridor is complicated...

The deal substantively agreed so far represents a compromise for both producers, developing countries, and consumers, Western industrial nations...

The key element in the agreement will be a buffer stock scheme whose producers will buy rubber to prevent prices from falling below an agreed "floor"...

Although the price of rubber currently is about 280 Malaysia cents per kilo—down from about 295-298 cents per kilo just three weeks ago—the new agreement will try to hold the price below a "ceiling" of 270 cents per kilo...

Another argument continues over contingency stocks. The U.S. favours an approach where the contingency stock would not be treated in a way significantly different from the normal stock...

Western concern about sustained supplies and easy availability of rubber is reflected in a separate argument about supply measures to back up the agreement's other substantive economic provisions...

Rubber producing countries are being cautious because they do not wish to be pushed into undertaking large investments to increase production under pressure from consumers only to see the bottom fall out of the market in the future...

Their aim is to set their incomes at a constantly rising trend while at the same time balancing supply with demand.

Indian tea exports rise

By P. C. Mahanti

CALCUTTA—India's tea exports in April and May totalled 27.7m kilograms compared with 16.4m kilos in the same months last year...

Industry sources say export prospects this year are quite good, due partly to the encouragement by New Delhi which has not fixed any ceiling on sales as in the previous two years...

Cash copper below £800

BY JOHN EDWARDS, COMMODITIES EDITOR

CASH COPPER wirebars traded at below £800 a tonne on the London Metal Exchange yesterday for the first time since mid-January...

The market is in a state of uncertainty awaiting President Carter's announcement on energy-saving measures, and also the result of the U.S. mint tender for supplies of both copper and nickel required for coin manufacture...

Philippines step up sugar alcohol plan

MANILA—The Philippines will step up production of alcohol from surplus sugar cane and cassava for use in "alcoegas" as a substitute high octane motor fuel...

The Government said yesterday it was setting up a national alcohol programme committee to carry out the crash programme...

Possible modification of car and truck engines to make them run efficiently on the alcoegas mixture, as well as on pure gasoline will be investigated and the Finance Ministry has been asked to study ways to reduce or eliminate taxes on alcohol.

Rum shipment breaks records

TWO PORT of Liverpool freight records will be broken this week when the tanker, Proof Trader, arrives in the Mersey from Georgetown, Guyana, with a £15m cargo of 200,000 gallons of rum...

This will bring the overall cargo handled at the £600,000 bulk installation at the South Wales Dock to more than 4m gallons so far this year, exceeding 1978's total shipments. The cargo is the largest the port has handled...

Potato guarantee 'frozen'

BY CHRISTOPHER PARKES

IN A move which could lead to Britain indirectly subsidising imports of potatoes from Holland and France later this year, Mr. Peter Walker, Minister of Agriculture, yesterday announced the new season's potato market guarantee scheme...

The guaranteed price will remain frozen at last year's level of £43.94 a tonne, and the Potato Marketing Board has been asked to prepare contracts with growers to give it the option of removing up to 500,000 tonnes of potatoes from the market to keep prices up...

press prices in the UK this season. If this happens displaced home-grown potatoes will be withdrawn to keep prices up for the benefit of both home producers and any foreign suppliers...

The Potato Board, which has the overall responsibility for keeping supply and demand in balance, said that because the industry is in a state of limbo between the now-redundant British regulations while awaiting an EEC marketing regime...

But it warned that the guaranteed price fell considerably short of the average production costs of the crop.

BRITISH COMMODITY MARKETS

Table with multiple columns for various commodities like Copper, Tin, Zinc, Lead, and their prices in London. Includes sub-sections for Base Metals and Copper.

COCOA

Table showing cocoa prices for various grades and origins, including Yesterdays, Business, and Done columns.

RUBBER

Table showing rubber prices for different types and origins, including Yesterdays, Business, and Done columns.

AMERICAN MARKETS

Table showing various American commodity prices including metals, grains, and other goods.

INSURANCE BASE RATES

Advertisement for Bache, a Century of Investment Service, offering insurance and investment solutions.

GRAINS

Table showing grain prices for various types like wheat, barley, and oats, including Yesterdays, Business, and Done columns.

WHEAT

Table showing wheat prices for different grades and origins, including Yesterdays, Business, and Done columns.

INDICES

Table showing various financial indices including Dow Jones, Financial Times, and Moody's.

EXHIBITIONS

Advertisement for exhibitions and art galleries, including the Wrentham House and Agnew Galleries.

SILVER

Table showing silver prices for various grades and origins, including Yesterdays, Business, and Done columns.

MEAT/VEGETABLES

Table showing meat and vegetable prices for various types and origins, including Yesterdays, Business, and Done columns.

EUROPEAN MARKETS

Table showing European commodity prices for various goods like wheat, oil, and metals.

LONDON STOCK EXCHANGE

Sterling reaction prompts similar movement in Gilts Equities lose early firmness and close shade easier

Account Dealing Dates
Option
First Declared Last Account Dealing Date
Jun 15 Jun 28 Jun 29 July 20

Firm of late on small buying ahead of the interim dividend season due to start in about a fortnight, the major clearing banks turned reactionary on profit-taking; sentiment was also adversely affected by a revival of old rumours that a sizeable fund-raising operation is in the offing.

made for dull conditions and closing falls ranged to 7. Glaxo ended that much easier at 440p, while Turner and Newall gave up 3 to 133p and Bowerley relinquished a couple of pence to 168p.

FINANCIAL TIMES STOCK INDICES
Table showing various indices like Government Secs, Industrial, Gold Mines, etc. with columns for July 9, July 6, July 5, July 4, July 3, July 2, and a Year ago column.

HIGHS AND LOWS S.E. ACTIVITY
Table with columns for High, Low, High, Low, and S.E. Activity, listing various stock categories like Govt Secs, Bond Int., Ind. Ord., etc.

ACTIVE STOCKS
Table listing various active stocks like Barclays Bank, ICI, Amal. Distilleries, etc. with columns for Denomina, Closing price, Change, 1979, and 1978.

LONDON TRADED OPTIONS
Table listing various options like BP, B.P., Cons. Gold, etc. with columns for Option, Ex'ce, Closing price, Vol., etc.

helped Ratners put on 4 to 106p, while MTI Furnitures, annual figures due next week, closed a like amount better at 166p. Harris Queensway found support at 242p, up 8. The leaders drifted lower with Marks and Spencer 3 OE at 111p and Burton A 4 lower at 264p.

Oil Exp. react afresh
Still reflecting disappointment with the size of Phillips' North Sea oil discovery, Oil Exploration encountered renewed selling and reacted afresh to 312p before closing with a fall of 6 at 314p for a loss of 22 since the announcement.

DEALING DATES
Table listing dealing dates for various companies like First Last Deal, etc.

APPOINTMENTS

Hawker Siddeley executives

Mr. A. H. E. Young has been appointed chairman of CROMPTON PARKINSON VIDOR, a Hawker Siddeley company. He joined Crompton Parkinson Limited in 1961 and became a managing director in 1968.

NEW HIGHS AND LOWS FOR 1979

Table listing new highs and lows for 1979 for various companies like Anglo American, Anglo Overseas, etc.

RISES AND FALLS YESTERDAY

Table showing rises and falls yesterday for various categories like British Funds, Foreign Bonds, etc.

RECENT ISSUES

Table listing recent issues for various companies like Anglo Overseas, Anglo American, etc.

FIXED INTEREST STOCKS

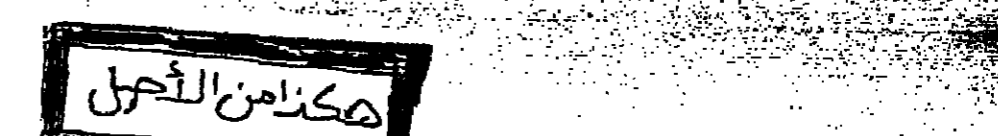
Table listing fixed interest stocks like British Government, 100, 100, etc. with columns for Issue Price, Latest, etc.

FT-ACTUARIES SHARE INDICES

Table showing FT-Actuaries Share Indices for various equity groups and sub-sections like CAPITAL GOODS, BUILDING MATERIALS, etc.

FT-ACTUARIES SHARE INDICES

Table showing FT-Actuaries Share Indices for various equity groups and sub-sections like CAPITAL GOODS, BUILDING MATERIALS, etc.



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AUTHORISED UNIT TRUSTS

Table listing various unit trusts and their performance metrics, including names like 'Minster Fund Managers Ltd.', 'NLA Unit Trust Mgmt. Ltd.', and 'Friends Provident Unit Tr. Mgrs.'.

Table listing insurance and property bonds, including 'Albany Life Assurance Co. Ltd.', 'Crown Life Assurance Co. Ltd.', and 'Lloyds Life Assurance Co. Ltd.'.

Table listing offshore funds, including 'Alexander Fund', 'Allen Harvey & Ross Inv. Mgt. (C.I.)', and 'Aurubius Securities (C.I.) Limited'.

OFFSHORE AND OVERSEAS FUNDS

Table listing various offshore and overseas funds, including 'Alexander Fund', 'Allen Harvey & Ross Inv. Mgt. (C.I.)', and 'Aurubius Securities (C.I.) Limited'.

Notes and disclaimers at the bottom left of the page.

Notes and disclaimers at the bottom right of the page.



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BRITISH FUNDS

Table of British Funds with columns for Name, Price, and Yield. Includes 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

Table of 'Over Fifteen Years' funds with columns for Name, Price, and Yield.

Table of 'Undated' funds with columns for Name, Price, and Yield.

INTERNATIONAL BANK

Table of International Bank services and rates with columns for Name, Price, and Yield.

CORPORATION LOANS

Table of Corporation Loans with columns for Name, Price, and Yield.

LOANS Public Bond and Ind.

Table of Loans Public Bond and Ind. with columns for Name, Price, and Yield.

FINANCIAL TIMES

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FT SHARE INFORMATION SERVICE

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, and Yield.

BANKS & HP—Continued

Table of Banks & HP—Continued with columns for Stock, Price, and Yield.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics—Cont. with columns for Stock, Price, and Yield.

ENGINEERING—Continued

Table of Engineering—Continued with columns for Stock, Price, and Yield.

AMERICANS

Table of Americans with columns for Stock, Price, and Yield.

Hire Purchase, etc.

Table of Hire Purchase, etc. with columns for Stock, Price, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Stock, Price, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Stock, Price, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Stock, Price, and Yield.

CANADIANS

Table of Canadians with columns for Stock, Price, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Stock, Price, and Yield.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Stock, Price, and Yield.

FOOD, GROCERIES—Cont.

Table of Food, Groceries—Cont. with columns for Stock, Price, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Stock, Price, and Yield.

INDUSTRIALS (Miscel.)

Table of Industrials (Miscel.) with columns for Stock, Price, and Yield.

FOOD, GROCERIES, ETC.

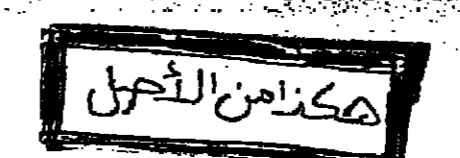
Table of Food, Groceries, Etc. with columns for Stock, Price, and Yield.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Stock, Price, and Yield.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Stock, Price, and Yield.



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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various manufacturing firms, with columns for stock price, price change, and volume.

INSURANCE—Continued

Table of insurance stocks including companies like Royal Indemnity, Commercial Union Assurance, and others.

PROPERTY—Continued

Table of property stocks including companies like British Land, Anglo-Continental, and others.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like British American, British Overseas, and others.

FINANCE, LAND—Continued

Table of finance and land stocks including companies like City of London, City of Westminster, and others.

NOMURA The Nomura Securities Co. Ltd. Japan's leader in international securities and investment banking. Includes contact information for London and New York offices.

MINES—Continued AUSTRALIAN

Table of Australian mining stocks including companies like BHP, Anglo-Australian, and others.

TINS

Table of tin stocks including companies like Anglo-Tin, Anglo-Tin, and others.

COPPER

Table of copper stocks including companies like Anglo-Copper, Anglo-Copper, and others.

MISCELLANEOUS

Table of miscellaneous stocks including companies like Anglo-African, Anglo-African, and others.

NOTES

Notes section containing various financial notices, including information about interest rates, dividends, and company announcements.

REGIONAL MARKETS

Table of regional market data for various countries and regions.

OPTIONS 3-month Call Rates

Table of 3-month call rates for various options.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like British Aerospace, British Aerospace, and others.

Commercial Vehicles

Table of commercial vehicle stocks including companies like British Leyland, British Leyland, and others.

Components

Table of component stocks including companies like British Leyland, British Leyland, and others.

Garages and Distributors

Table of garage and distributor stocks including companies like British Leyland, British Leyland, and others.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like News International, News International, and others.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks including companies like News International, News International, and others.

PROPERTY

Table of property stocks including companies like British Land, British Land, and others.

INSURANCE

Table of insurance stocks including companies like Royal Indemnity, Commercial Union Assurance, and others.

SHIPPING

Table of shipping stocks including companies like British Shipways, British Shipways, and others.

SHOES AND LEATHER

Table of shoes and leather stocks including companies like British Leather, British Leather, and others.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo-African, Anglo-African, and others.

TEXTILES

Table of textile stocks including companies like British Textiles, British Textiles, and others.

TOBACCO

Table of tobacco stocks including companies like British American, British American, and others.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like British American, British American, and others.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo-Indo-China, Anglo-Indo-China, and others.

RUBBERS AND SISALS

Table of rubber and sisal stocks including companies like Anglo-Rubber, Anglo-Rubber, and others.

TEAS

Table of tea stocks including companies like Anglo-Tea, Anglo-Tea, and others.

MINES CENTRAL RAND

Table of central rand mining stocks including companies like Anglo-American, Anglo-American, and others.

EASTERN RAND

Table of eastern rand mining stocks including companies like Anglo-American, Anglo-American, and others.

W. FAR WEST RAND

Table of western rand mining stocks including companies like Anglo-American, Anglo-American, and others.

O.F.S.

Table of O.F.S. stocks including companies like Anglo-American, Anglo-American, and others.

FINANCE

Table of finance stocks including companies like Anglo-American, Anglo-American, and others.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including companies like Anglo-American, Anglo-American, and others.

CENTRAL AFRICAN

Table of central African stocks including companies like Anglo-American, Anglo-American, and others.



Inland Revenue to study leasing

THE INLAND REVENUE is to launch a study into the rapidly growing leasing industry, with a view to curbing what it considers areas of tax avoidance.

In the last few years the leasing market has expanded extremely fast. Some estimates now put annual turnover at £2bn.

The feeling in the Revenue is that about 15 per cent of this activity is motivated solely by the desire to reduce tax bills.

The Revenue has taken an increasingly aggressive attitude to avoidance in recent years, culminating in retrospective legislation in last year's Finance Act against a particular avoidance scheme.

It feels that a considerable proportion of people who have been deterred from using new schemes because of the retrospective precedent are directing their interests to leasing.

In practice it is likely to be extremely difficult to isolate companies and individuals which become lessors purely to save tax.

Individual lessors are likely to be far more vulnerable than companies to any future change in the law.

Socialist asked to be Italian Premier

BY RUPERT CORNWELL IN ROME

PRESIDENT Sandro Pertini of Italy took the unprecedented step last night of asking Sig. Bettino Craxi, the Socialist leader, to form a Government and break Italy's six-month Governmental crisis.

The possible choice of Sig. Craxi after last weekend's failure of Sig. Giulio Andreotti, the outgoing Christian Democratic caretaker Prime Minister, had been the subject of some speculation, and had been urged on the President by some smaller parties.

But last night's announcement still came as almost a complete surprise to most politicians, including by his own admission, Sig. Craxi himself.

Selection of a Socialist, only the second time in over 30 years that a non-Christian Democrat politician has been called on to form a government, is a measure of how intractable the Italian political dilemma remains after June's inconclusive General Election.

Since Sig. Andreotti's previous Government fell in January Italy has been without an effective administration, despite the pressure of such issues as the energy crisis and rising inflation.

Sig. Pertini clearly believes that a Cabinet led by Sig. Craxi, and thus fully involving the Socialists, offers the country its best chance in present circumstances of a broad-based and durable government.

At this early stage, it is impossible to judge his chances of success. Although the nomination has transformed the normal perspective of Italian politics, many obstacles stand in his path.

Sig. Craxi was born and lives in Milan, historically the centre of Italian socialism. At 45, he has been a deputy for 11 years, but took over the party only three years ago after its poor showing in the June 1976 General Election.

Since then he has vigorously sought to re-establish the Socialist Party's separate identity as a "Third Force" in national politics, distinct from the Christian Democrats and the Communists.

But his efforts have been only partly successful. Firmly on the Social Democratic wing, Sig. Craxi has waged strong ideological warfare against the Communists, but at the cost of arousing the deep suspicion of the powerful Socialist faction in his party, which broadly believes in a "Popular Front" alliance of all Left-wing parties.

These elements, therefore, are likely to be very wary of the Socialists locking themselves irrevocably into government with the Christian Democrats.

If the Communists are in Opposition, Left-wing Socialists may feel the party risks being trapped in an anti-Communist alliance.

'Lloyd's' of U.S. officially launched

By David Lascelles in New York

NEW YORK Insurance Exchange, the U.S. answer to Lloyd's of London, was officially launched yesterday with several Lloyd's members participating directly or indirectly.

The exchange will not open for business for several months because it has no premises. At yesterday's meeting there were 13 underwriting syndicates and 23 brokers from the U.S. and abroad.

The largest syndicate has been put together by Allianz of West Germany with about \$7m in capital.

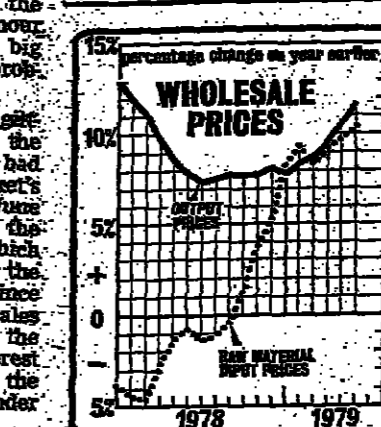
William Faber of Lloyd's has formed a joint syndicate with Johnson and Higgins, the largest privately held broker in the U.S., and will participate directly in the New York Exchange.

Other Lloyd's members, C. T. Bowring, Leslie and Godwin, Harris and Dixon, Stewart Whitland, and Sedgewick Forbes Blayne, will be indirectly involved through their tie-up agreements with U.S. brokers who have joined the Exchange.

Underwriters and brokers from Japan, Norway and Finland have joined.

THE LEX COLUMN Getting a grip on bank lending

Index fell 2.3 to 468.7



Today's banking figures are not going to make happy reading. Eligible liabilities probably rose by over 1 per cent in the June banking month and runways has it that a couple of the big clearing banks ran into problems with the consent.

However, as far as the money market is concerned the figures will have to be very bad indeed to shake the market's new-found confidence.

The hope is that sterling bank lending, which has been running at a seasonally adjusted \$800m per month over the last four months, will now slow down to a more normal \$500m-£400m per month.

First, the consumer boom should have tailed off after all the pre-Budget excitement. Secondly, industry will have had time to recover from the winter's industrial troubles which - as last week's GDP figures showed - severely dented profits and cash flow.

Thirdly, the combination of 14 per cent MLR and a rapidly tightening banking control should be cutting both the demand for and supply of bank credit.

Yet it will be at least another month before there can be any clear evidence. And there are one or two bearish arguments to support the view that there are no instant solutions to the excessive buoyancy of bank lending.

Wholesale prices, up 4.7 per cent in May, are continuing to show the impact of an expensive pay round and the rise in commodity costs, especially oil.

Wholesale output prices, up 4.7 per cent in May, are continuing to show the impact of an expensive pay round and the rise in commodity costs, especially oil.

With the world economy coming off the boil, input price inflation could lose momentum very soon.

Income for 1978-79 rose 49 per cent to £5.8m pre-tax, helped by the strong leasing division and a lower net interest charge.

Lord Bernstein said last night that his role as president will be non-executive but "I have agreed to accept responsibilities connected with various activities of the group."

Ease exchange controls and MLR, says CBI

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE GOVERNMENT came under new pressure to relax exchange controls and reduce the present 14 per cent minimum lending rate when Mrs. Margaret Thatcher met leaders of the Confederation of British Industry yesterday.

Although she gave no firm indications about the Government's policies, the tone of the talks indicated that Ministers were preparing for a relaxation of exchange controls, including limits on portfolio investments.

But there seems to be less likelihood of early action on MLR, even though Mrs. Thatcher told the CBI leaders she was aware that the resulting high interest rates are hurting small firms.

The encouragement of small firms is a key part of the Government's industrial policy for reviving depressed areas and reducing unemployment.

The CBI stressed that the potential for growth in this area was being hit because small firms were particularly dependent on bank overdrafts.

Mrs. Thatcher was told by Sir John and his colleagues that the Budget was still being warmly welcomed.

But the high level of MLR placed a heavy burden on the cost of company's borrowings when liquidity was already under pressure.

The CBI said it would be holding two conferences of its members on pay during the next few weeks and urged that Government Ministers should in their speeches stress the need for moderate pay rises.

Further talks are to be held between Mrs. Thatcher and the CBI in the autumn.

Mr. Joseph Warton will resign the deputy chairmanship at the end of September, but will remain on the board as a full-time executive director.

Iran police chief defies order

BY OUR TEHRAN CORRESPONDENT

THE IRANIAN Government yesterday faced another challenge to its authority when General Seif Amir Rahimi, commander of the military police, defied orders for his dismissal issued by General Taqi Riahi, Minister of Defence.

The order was announced over Iran Radio this afternoon after top level contact between Dr. Mehdi Bazargan, the Prime Minister, General Riahi and General Farouk, Chief of Staff.

General Rahimi, however, told reporters that he refused to accept the order and claimed to have received instructions from Ayatollah Khomeini, Iran's unofficial head of state, to stay in office.

He said that he had thwarted a plot for his arrest by travelling the day before to see Ayatollah Khomeini in the Holy City of Qom and claimed he was then given instructions to round up these unnamed conspirators.

"They thought by getting rid of me they could break one of the main pillars of the revolution," General Rahimi said.

These somewhat wild comments were the latest of a series of outspoken statements on the state of affairs in the armed forces which had referred to issues not normally the concern of the military police.

Mr. Alex Bernstein, the son of Lord Bernstein's brother, Mr. Cecil Bernstein, has been a member of the boards of most of the Granada operations for some years.

Senate backs double-tax pact

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE U.S. SENATE unanimously approved yesterday the long-delayed Anglo-American double-taxation treaty.

Its action, however, comes as no relief to Britain, since the treaty does not contain the provision nullifying the so-called unitary power of taxation employed by a handful of American states, under which a company may be taxed on the basis of its worldwide income and not merely on what it generates inside the state, or in the U.S.

But with the more pressing demands of the debate on the strategic arms limitation agreement with the Soviet Union, and whatever energy and economic legislation emerges in the weeks ahead, it is thought that such a measure would be accorded low priority on the Congressional calendar.

Michael Donne, Aerospace Correspondent, adds: British Caledonian Airways and Laker Airways had been hoping that they would be able to resume flights into the U.S. with their DC-10s this week.

Bernstein's nephew to head Granada

By Arthur Sandles

MR. ALEX BERNSTEIN, aged 43, the nephew of Lord Bernstein, is to take over as chairman of the Granada Group at the end of September.

Lord Bernstein has been the driving force at Granada since it was formed as Granada Theatres, a cinema chain, in 1934.

Several Japanese, European and American companies have already put forward proposals to the Chinese authorities.

The Foreign Investment Commission will consider proposals for joint ventures and approve or reject them according to their usefulness to China's modernisation programme.

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Weather table with columns for UK TODAY, WORLDWIDE, and specific weather forecasts for various regions.

Table with columns for 'day', 'midday', and 'day' for various locations including Alicante, Athens, and London.

